

GWR Group Limited

ACN 102 622 051

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM

Date of General Meeting: Friday 23rd, November 2018
Time of General Meeting: 11:00am (WST)
Place of General Meeting: Bennett & Co
Ground Floor, 28 The Esplanade
Perth WA 6000

GWR Group Limited

ACN 102 622 051

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders of GWR Group Limited will be held at the office of Bennett & Co, Ground Floor, 28 The Esplanade Perth, Western Australia on Friday, 23rd November 2018 at 11.00am (WST).

An Explanatory Memorandum containing information in relation to each of the following matters to be considered at the meeting accompanies and forms part of this Notice.

AGENDA

FINANCIAL, DIRECTORS' AND AUDITOR'S REPORT

To receive and consider the Financial Report, Directors' Report and Auditor's Report of the Company and its controlled entities for the financial year ended 30 June 2018.

1. RESOLUTION 1 - ADOPTION OF REMUNERATION REPORT

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

"That for the purposes of section 250R(2) of the Corporations Act, the Remuneration Report for the financial year ended 30 June 2018 be adopted."

2. RESOLUTION 2 - RE-ELECTION OF DIRECTOR – TAN SRI DATO' TIEN SENG LAW

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

"That for the purposes of section 7.3(a) of the Company's Constitution, Tan Sri Dato' Tien Seng Law, who retires and offers himself for re-election is re-elected as a director."

3. RESOLUTION 3 - GRANT OF SHARES IN LIEU OF FEES TO MR GARY LYONS

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 grant of up to 361,069 Shares to Mr Gary Lyons or his nominee in lieu of his accrued director fees on the terms and conditions set out in the Explanatory Memorandum accompanying the Notice of Meeting."

Voting Exclusion for Resolution 3

The Company will disregard any votes cast in favour of Resolution 3 by

- a) Mr Gary Lyons and any person who is to receive the securities the subject of the Resolution;
- b) any person who might obtain a benefit if the Resolution is passed, except a benefit solely in the capacity of a holder of ordinary securities; and
- c) any associates of the persons excluded from voting pursuant to paragraphs (a) and (b) above.

Notwithstanding the above, the Company will not disregard a vote on Resolution 3 if it is cast by:

- a) a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- b) the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 3 if the appointment does not specify the way the proxy is to vote on the Resolution, unless the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 3. Shareholders may also choose to direct the Chair to vote against Resolution 3 or to abstain from voting.

4. **RESOLUTION 4 - GRANT OF SHARES IN LIEU OF FEES TO TAN SRI DATO' TIEN SENG LAW**

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 grant of up to 220,653 Shares to Tan Sri Dato' Tien Seng Law or his nominee in lieu of accrued director fees on the terms and conditions set out in the Explanatory Memorandum accompanying the Notice of Meeting."

Voting Exclusion for Resolution 4

The Company will disregard any votes cast in favour of Resolution 4 by

- a) Tan Sri Dato' Tien Seng Law and any person who is to receive the securities the subject of the Resolution;
- b) any person who might obtain a benefit if the Resolution is passed, except a benefit solely in the capacity of a holder of ordinary securities; and
- c) any associates of the persons excluded from voting pursuant to paragraphs (a) and (b) above.

Notwithstanding the above, the Company will not disregard a vote on Resolution 4 if it is cast by:

- a) a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- b) the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 4 if the appointment does not specify the way the proxy is to vote on the Resolution, unless the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 4. Shareholders may also choose to direct the Chair to vote against Resolution 4 or to abstain from voting.

5. **RESOLUTION 5 - GRANT OF SHARES IN LIEU OF FEES TO MR KONG LENG LEE**

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 grant of up to 220,653 Shares to Mr Kong Leng Lee or his nominee in lieu of accrued director fees on the terms and conditions set out in the Explanatory Memorandum accompanying the Notice of Meeting."

Voting Exclusion for Resolution 5

The Company will disregard any votes cast in favour of Resolution 5 by

- a) Mr Kong Leng Lee and any person who is to receive the securities the subject of the Resolution;
- b) any person who might obtain a benefit if the Resolution is passed, except a benefit solely in the capacity of a holder of ordinary securities; and
- c) any associates of the persons excluded from voting pursuant to paragraphs (a) and (b) above.

Notwithstanding the above, the Company will not disregard a vote on Resolution 5 if it is cast by:

- a) a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- b) the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 5 if the appointment does not specify the way the proxy is to vote on the Resolution, unless the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 5. Shareholders may also choose to direct the Chair to vote against Resolution 5 or to abstain from voting.

6. **RESOLUTION 6 - GRANT OF SHARES IN LIEU OF FEES TO DATUK CHIN AN LAU**

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 grant of up to 220,653 Shares to Datuk Chin An Lau or his nominee in lieu of accrued director fees on the terms and conditions set out in the Explanatory Memorandum accompanying the Notice of Meeting."

Voting Exclusion for Resolution 6

The Company will disregard any votes cast in favour of Resolution 6 by

- a) Datuk Chin An Lau and any person who is to receive the securities the subject of the Resolution;
- b) any person who might obtain a benefit if the Resolution is passed, except a benefit solely in the capacity of a holder of ordinary securities; and
- c) any associates of the persons excluded from voting pursuant to paragraphs (a) and (b) above.

Notwithstanding the above, the Company will not disregard a vote on Resolution 6 if it is cast by:

- a) a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- b) the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 6 if the appointment does not specify the way the proxy is to vote on the Resolution, unless the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 6. Shareholders may also choose to direct the Chair to vote against Resolution 6 or to abstain from voting.

7. RESOLUTION 7 – APPROVAL OF THE ISSUE OF EQUITY SECURITIES UP TO 10% OF THE ISSUED CAPITAL

To consider and, if thought fit, to approve the following resolution, with or without amendment, as a special resolution:

"That, for the purpose of Listing Rule 7.1A and all other purposes, the Company approves the allotment and issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion for Resolution 7

The Company will disregard any votes cast in favour of Resolution 7 - by any person who may participate in the proposed issue and a person who might obtain a benefit except a benefit solely in the capacity of a holder of ordinary securities if the resolution is passed, and any associates of those persons.

However, votes cast by a person as proxy for a person who is entitled to vote (in accordance with the directions on the proxy form) or the person chairing the meeting as proxy for a person who is entitled to vote (in accordance with a direction on the proxy form to vote as the proxy decides) will be taken into account.

Dated this 24th day of October 2018

BY ORDER OF THE BOARD



Mark Pitts
Company Secretary

GWR Group Limited

ACN 102 622 051

NOTICE OF ANNUAL GENERAL MEETING

GENERAL NOTES

1. With respect to Agenda Item 1, the vote on this item is advisory only and does not bind the Directors of the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

The Chairman of the meeting intends to vote undirected proxies that are able to be voted, in favour of the adoption of the remuneration report.

2. **Voting Prohibition Statement:** A vote on Agenda Item 1 must not be cast (in any capacity) by or on behalf of any Key Management Personnel (which includes the Directors of the Company), details of whose remuneration are included in the Remuneration Report, or any Closely Related Party of such Key Management Personnel.

However, a person described above may vote on Agenda Item 1 if the person does so as a proxy appointed by writing, that specifies how the proxy is to vote on the Resolution, or where no voting directions have been given and the proxy is the Chairman of the meeting and votes consistent with the stated intention to vote valid undirected proxies, and the vote is not cast on behalf of a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report or any Closely Related Party of such Key Management Personnel.

3. The Explanatory Statement to Shareholders attached to this Notice of General Meeting is hereby incorporated into and forms part of this Notice of General Meeting.
4. The Directors have determined in accordance with Regulation 7.11.37 of the Corporations Regulations that, for the purposes of voting at the meeting, shares will be taken to be held by the registered holders at 5.00pm (WST) on 21st November 2018.
5. The Chairman will allow a reasonable opportunity for shareholders at the meeting to ask questions about or make comments on the management of the Company.
6. A Proxy Form accompanies this Notice of Meeting and to be effective must be completed online or received at the Company's share registry by no later than 11.00am on 21 November 2018 refer to the Proxy Form for details.

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For all enquiries call 1300 992 916

DEFINITIONS

For assistance in considering the Notice and accompanying Explanatory Memorandum, the following words are defined here:

AGM or Annual General Meeting means the 2018 annual general meeting of the Company.

ASX means ASX Limited ACN 008 624 691.

Auditor's Report means the auditor's report on the Financial Report.

Board means the board of Directors of the Company.

Chairman means the chairman of the Annual General Meeting.

Closely Related Party means, in relation to a member of Key Management Personnel: (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 regulations, as defined in the Corporations Act.

Company means GWR Group Limited ABN 54 102 622 051.

Constitution means the constitution of the Company.

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

Director means a director of the Company.

Directors' Report means the annual directors' report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities.

Employees means full time and part time employees, contractors and consultants to the Company

Explanatory Memorandum means the explanatory memorandum enclosed with and comprising part of this notice of annual general meeting.

Financial Report means the 2018 annual financial report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities.

Key Management Personnel means those persons details of whose remuneration are included in the Remuneration Report having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise), as defined in the Corporations Act.

Notice means this notice of annual general meeting.

Option means an option to acquire a Share.

Proxy Form means the proxy form enclosed with the Notice.

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

Resolutions means the resolutions proposed in the Notice.

Restricted Voter means someone defined as Key Management Personnel or a Closely Related Party.

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

Shareholder means a shareholder of the Company.

WST means Australian Western Standard Time.

GWR Group Limited

ACN 102 622 051

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide Shareholders with information to assess the merits of the resolutions contained in the accompanying Notice.

The Directors recommend Shareholders read this Explanatory Memorandum in full before making any decision in relation to the resolutions.

The following information should be noted in respect of the various matters contained in the accompanying Notice.

Financial, Directors' and Auditors Report

The Financial Report, Director's Report and Auditor's Report for the Company for the year ending 30 June 2018 will be laid before the AGM.

There is no requirement for the Shareholders to approve these reports. However, the Chairman will allow a reasonable opportunity for Shareholders to ask questions or make comments about those reports. Shareholders will also be given a reasonable opportunity 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 AGM, written questions to the Company's auditors about:

- the preparation and content of the Auditor's report;
- the conduct of the audit;
- accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 business days before the AGM date to the Company Secretary at the Company's registered office at 97 Outram Street, West Perth, WA 6005 or sent by facsimile to the registered office on (08) 9322 2370.

Resolution 1: Adoption of Remuneration Report

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 or the Company.

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 2018.

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

The Board considers that its current practices of setting executive and non-executive remuneration are within normal industry expectations, and provides an effective balance between the need to attract and retain the services of the highly skilled key management personnel that the Company requires.

If at least 25% of the votes cast in relation to the Remuneration Report are voted against adoption of the Remuneration Report at two consecutive Annual General Meetings, the Company is required to put to Shareholders a resolution proposing the calling of general meeting to consider the appointment of directors of the Company. If more than 50% of Shareholders vote in favour of that resolution, the Company must convene another general meeting within 90 days. All of the Directors who were in office when the Company's Directors' report was approved, other than the Managing Director of the Company, will cease to hold office immediately before the end of the meeting but may stand for re-election.

If you choose to appoint a proxy you are encouraged to **direct your proxy how to vote** on Resolution 1 by marking either For, Against or Abstain on the voting form.

If you appoint the Chairman as your proxy, and you do not direct your proxy how to vote on Resolution 1 on the proxy form **you acknowledge that the Chairman will exercise your proxy, in line with his stated intention, even if he has an interest in the outcome of the resolution.**

Please note if you appoint the Chair of the Meeting as your proxy, the appointment expressly authorises the Chair to exercise the proxy even though the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

The Chairman of the meeting intends to vote undirected proxies that are able to be voted in favour of the adoption of the remuneration report.

The Remuneration Report has been approved by Shareholders at every AGM of the Company and at the most recent AGM in 2017 the Remuneration Report was approved unanimously on a show of hands.

Resolution 2: Re-election of Director – TAN SRI DATO' TIEN SENG LAW

Tan Sri Dato' Law has been a director and substantial shareholder of the Company since July 2010 and was last elected as a director at the 2015 AGM. Accordingly, Tan Sri Dato' Law is required to retire by rotation and offer himself for re-election.

Tan Sri Dato' Law is a highly experienced investor in iron ore companies and was previously the Deputy Chairman and major shareholder of Midwest Corporation Limited. Tan Sri Dato' Law also has extensive business interest and investments in China. Tan Sri Dato' Law is currently the executive Chairman of T.S.Law Holding Sdn. Bhd., an investment holding company in Malaysia, covering a diverse range of industries. These companies include those with activities in property investment and development, food and beverage and steel plate distribution.

Tan Sri Dato' Law is the appointed Malaysian Business Advisor of Jinan Group of Companies of the Shandong Province, the Peoples' Republic of China. He has substantial interest in Ji Kang Dimensi Sdn. Bhd., a company within the Jinan Group of Companies operating a steel plates manufacturing plant in Kuantan.

Tan Sri Dato' Law is a substantial stakeholder and Deputy Chairman of Hiap Teck Venture Berhad, a Malaysian listed company engaged in distribution and trading of steel related products and as well as manufacturing of steel pipes and steel slabs.

Resolutions 3 to 6: Grant of Shares to Directors in lieu of Fees

The Company is actively trying to conserve its cash reserves so as to allow it to maximise exploration of its existing projects as well as capitalise on new opportunities as they arise.

The Directors have agreed that, subject to obtaining the required Shareholder approval, a proportion (50%) of their accrued fees for the period from 1 October 2017 to 30 September 2018 will be satisfied by the issue of Shares.

The table below sets out the fees or remuneration per annum each Director was entitled to for the period from 1 October 2016 to 30 September 2017:

Director	Fees or remuneration applicable for the period from 1 October 2017 to 30 September 2018 including superannuation	
	Per annum	Per month
Gary Lyons	\$90,000	\$7,500.00
Tien Seng Law	\$55,000	\$4,583.33
Kong Leng Lee	\$55,000	\$4,583.33
Chin An Lau	\$55,000	\$4,583.33

Resolutions 3 to 6 (inclusive) seek Shareholder approval for the purposes of Listing Rule 10.11 to allow the outstanding proportion (50%) of the Directors' remuneration or fees that have accrued for the period 1 October 2017 to 30 September 2018, as set out in the table below (**Accrued Remuneration**) to be satisfied by the issue of the number of Shares set out in the table below (**Remuneration Shares**).

Director	Outstanding fees accrued for the period 1 Oct 2017 to 30 Sept 2018 Per Month (50%)	Total Accrued Remuneration for the period	Number of Remuneration Shares to be issued to satisfy Total Accrued Remuneration¹
Gary Lyons	\$3,750.00	\$45,000.00	361,069
Tien Seng Law	\$2,292.00	\$27,500.00	220,653
Kong Leng Lee	\$2,292.00	\$27,500.00	220,653
Chin An Lau	\$2,292.00	\$27,500.00	220,653
Total		\$ 127,500.00	1,023,028

If Resolutions 3 to 6 (inclusive) are not approved, then the Company will need to pay the Directors a total of \$127,500.00 for the outstanding accrued fees for the period from 1 October 2017 to 30 September 2018 (inclusive).

Chapter 2E of the Corporations Act

The grant of Shares to Directors will constitute the giving of a financial benefit to a related party of the Company, for which member approval is usually required pursuant to section 208 of the Corporations Act.

There are various exceptions to the requirement for member approval, including, in accordance with section 211 of the Corporations Act, where the benefit is remuneration to a related party as an officer or employee of the Company, and to give the remuneration would be reasonable given:

- the circumstances of the Company; and
- the related party's circumstances (including the responsibilities involved in the office or employment).

The Board is of the view that the exception in section 211 of the Corporations Act is relevant to the financial benefits to be granted to the Directors. Each Director is of the view that the proposed Share issue in relation to each of the other Directors is part of a reasonable remuneration package for that Director, given that the Share issue is in lieu of the payment of cash director's fees.

Accordingly, the Company is not seeking the approval of members under section 208 of the Corporations Act.

Listing Rule disclosures

As the issue of the Remuneration Shares comprises the issue of securities to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the issue of the Remuneration Shares under ASX Listing Rule 10.11.

Listing Rule 10.13 requires the following further information to be provided in relation to the Remuneration Shares which may be granted pursuant to Resolutions 3 to 6:

- * The Remuneration Shares will be allotted and issued to the Directors (or their nominee), in accordance with the table above.

¹ The number of Remuneration Shares has been calculated on a monthly basis, using the amount of the Accrued Remuneration for the relevant month and the VWAP of trading in the Shares for that month and then in total for the period 1 October 2017 to 30 September 2018 (inclusive). Details of the relevant monthly VWAPs are set out below.

- * The maximum total number of Remuneration Shares to be issued to each Director or the nominee is set out in the table above (and the total maximum is 1,023,028).
- * The Remuneration Shares 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 ASX Listing Rules).
- * The issue price of the Remuneration Shares was calculated on a monthly basis using the VWAP for each month for the period 1 October 2017 to 30 September 2018 as follows:

October	VWAP - \$0.0863
November	VWAP - \$0.0978
December	VWAP - \$0.0845
January	VWAP - \$0.0710
February	VWAP - \$0.1627
March	VWAP - \$0.2240
April	VWAP - \$0.1731
May	VWAP - \$0.2018
June	VWAP - \$0.1543
July	VWAP - \$0.1328
August	VWAP - \$0.1704
September	VWAP - \$0.1367

- * The Remuneration Shares will be fully paid and will rank equally in all respects with existing Shares.
- * A voting exclusion statement for Resolutions 3 to 6 (inclusive) is included in the Notice. The Chairman will vote undirected proxies in favour of each Resolution.
- * No funds will be raised from the issue of the Remuneration Shares, which will be issued in lieu of director's fees but the Company's liability in relation to the Accrued Remuneration will be fully satisfied.

In respect of Resolutions 3 to 6 inclusive, if the Resolution is passed (and approval is therefore obtained for the purposes of ASX Listing Rule 10.11), further shareholder approval is not required under ASX Listing Rule 7.1, and the securities issued pursuant to the Resolution will not be included in the calculation of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

Resolution 7 Approval of the issue of Equity Securities up to 10% of the Issued Capital

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital over a 12-month period after the Annual General Meeting at which a resolution for the purposes of Listing Rule 7.1A is passed by special resolution (Additional 10% Placement Capacity). The Additional 10% Placement Capacity is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An entity will be eligible to seek approval under Listing Rule 7.1A if: (a) the entity has a market capitalisation of \$300 million or less; and (b) the entity that is not included in the S&P ASX 300 Index. The Company is an eligible entity for the purposes of Listing Rule 7.1A. The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation as at the close of trade on 22 October 2018 of \$27,774,385, being 252,494,410 ordinary shares at \$0.11.

The number of Equity Securities to be issued under the Additional 10% Placement Capacity will be determined in accordance with the formula set out in Listing Rule 7.1A.2:

$$(AxD)-E$$

A = The number of fully paid ordinary securities on issue 12 months before the issue date or date of agreement to issue,

- plus the number of fully paid ordinary securities issued in the 12 months under an exception in Rule 7.2,
- plus the number of partly paid ordinary securities that became fully paid in the 12 months,
- plus the number of fully paid ordinary securities issued in the 12 months with approval of shareholders of ordinary securities under rule 7.1 or rule 7.4,
- less the number of fully paid ordinary securities cancelled in the 12 months

D = 10%

E = The number of equity securities issued or agreed to be issued under rule 7.1A.2 in the 12 months before the issue date or date of agreement to issue that are not issued with the approval of shareholders of ordinary securities under 7.1 or 7.4

The Company is putting Resolution 7 to Shareholders to seek approval to issue additional Equity Securities under the Additional 10% Placement Capacity.

This Resolution does not mean that the Company will necessarily utilise the 10% Additional Placement Capacity. Rather, capital markets have recently been in a state of fluctuation and the Directors acknowledge that they may need to act quickly to raise funds when favourable markets emerge. The Company's failure to raise capital, if and when needed, could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities. Under these circumstances, the Additional 10% Placement Capacity will provide flexibility for the Company to issue additional securities, in the event that the Directors determine that the issue of the additional securities is in the interests of the Shareholders and the Company in achieving its objectives.

Listing Rule 7.1A

The effect of Resolution 7 will be to permit the Company to issue the Equity Securities under Listing Rule 7.1A during the Additional Placement Period (as defined below) without using the Company's 15% placement capacity under Listing Rule 7.1.

Equity Securities issued under the Additional 10% Placement Capacity must be in the same class as an existing quoted class of Equity Securities of the Company. As at the date of this Notice the Company has only Shares on issue as quoted securities.

At the date of this Notice the Company has 252,494,410 Shares on issue. Shareholders should note that, subject to the Shareholder approval being sought under Resolution 7, the calculation of the number of Equity Securities permitted to be issued under the Additional 10% Placement Capacity is a moving calculation and will be based the formula set out in Listing Rule 7.1A.2 at the time of issue of the Equity Securities. The table on the page below demonstrates various examples as to the number of Equity Securities that may be issued under the Additional 10% Placement Capacity.

Resolution 7 is a special resolution, requiring 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) in order to be passed.

Specific information required by Listing Rule 7.3A

The following information in relation to the Equity Securities to be issued is provided to Shareholders for the purposes of Listing Rule 7.3A:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the volume weighted average price for the Company's Equity Securities over the 15 Trading Days 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 7 is approved by Shareholders and the Company issues Equity Securities under the Additional 10% Placement Capacity, the existing Shareholders' economic and voting interests in the Company will be diluted. There is also 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 of the Equity Securities.

The table below shows the dilution of existing Shareholders of the issue of the maximum number of Equity Securities under the Additional 10% Placement Capacity using different variables for the number of ordinary securities for variable "A" (as defined in Listing Rule 7.1A) and the market price of Shares. It is noted that variable "A" is based on the number of ordinary securities the Company has on issue at the time of the proposed issue of Equity Securities.

The table shows:

- (i) examples of where variable "A" is at its current level, and where variable "A" has increased by 50% and by 100%;
- (ii) examples of where the issue price of ordinary securities is the current market price as at close of trade on 22 October 2018 (market price), where the issue price is halved, and where it is doubled; and
- (iii) the dilutionary effect will always be 10% if the maximum number of Equity Securities that may be issued under the Additional 10% Placement Capacity are issued.

Variable 'A'	Number of Shares issued and funds raised under the Additional 10% Placement Capacity and dilution effect	Dilution		
		\$0.055 Issue Price at half the current market price	\$0.11 Issue Price at current market price	\$0.22 Issue Price at double the current market price
Current Variable A 252,494,410 Shares	Shares issued	25,249,441	25,249,441	25,249,441
	Funds raised	\$1,388,719	\$2,777,439	\$5,554,877
	Dilution	10%	10%	10%
50% increase in current Variable A 378,741,615 Shares	Shares issued	37,874,162	37,874,162	37,874,162
	Funds raised	\$2,083,079	\$4,166,158	\$8,332,316
	Dilution	10%	10%	10%
100% increase in current variable A 504,988,820 Shares	Shares issued	50,498,882	50,498,882	50,498,882
	Funds raised	\$2,777,439	\$5,554,877	\$11,109,754
	Dilution	10%	10%	10%

Note: this table assumes:

- (i) No Options are exercised before the date of the issue of the Equity Securities;
 - (ii) The Company issues the maximum number of Equity Securities under the Additional 10% Placement Capacity and the Equity Securities issues consists only of Shares;
 - (iii) 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 that Shareholders holding at the date of the Annual General Meeting;
 - (iv) 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.
- (c) Approval of the Additional 10% Placement Capacity will be valid from the date of the Annual General Meeting and will expire on the earlier of:
- (i) the date that is 12 months after the date of the Annual General Meeting; and
 - (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),
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- (i) As cash consideration. If Equity Securities are issued for cash consideration, the Company intends to use the funds to advance the company's exploration projects, fund other potential acquisition or exploration opportunities that may arise and provide working capital; or
 - (ii) As non-cash consideration for the acquisition of new assets. If Equity Securities are issued for non-cash consideration, the Company will comply with the minimum issue price limitation under Listing Rule 7.1A.3 in relation to such issue and will release the valuation of the non-cash consideration to the market.

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

- (e) The Company's allocation policy for the issue of Equity Securities under the Additional 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed

placement(s). Securities allotted pursuant to the allocation policy will be determined following consideration of a number of factors including, but not limited to, the following matters:

- (i) the ability of the Company to raise funds at the time of the proposed issue of Equity Securities;
- (ii) the dilutionary effect of the proposed issue of the Equity Securities on existing Shareholders at the time of proposed issued of Equity Securities;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from its professional advisers, including corporate, financial and broking advisers (if applicable).

At the date of this Notice, the Company has not formed an intention as to whether the securities will be offered to existing security holders, or to any class or group of existing security holders, or whether the securities will be offered exclusively to new investors that have not previously been security holders of the Company. The Company will give consideration before making any placement of securities under Listing Rule 7.1A whether the raising of any funds under such placement could be carried out in whole, or in part, by an Entitlements Offer to existing security holders.

The allottees under the Additional 10% Placement Capacity have not been determined as at the date of this Notice but will not include related parties (or their associates) of the Company.

The Company has not previously obtained approval under listing rule 7.1A.

- (f) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not determined its allocation policy for the issue of Equity Securities under the Additional 10% Placement Capacity. The Company has not approached, and has not yet determined to approach, any particular existing security holders or an identifiable class of existing security holders to participate in an offer under the Additional 10% Placement Capacity, and therefore no Shareholder will be excluded from voting on Resolution 7.

Directors Recommendation

The Board recommends Shareholders vote in favour of Resolution 7.



GWR GROUP LIMITED

ACN: 102 622 051

REGISTERED OFFICE:
97 OUTRAM STREET
WEST PERTH WA 6005



SHARE REGISTRY:
Security Transfer Australia Pty Ltd
All Correspondence to:
PO BOX 52
Collins Street West VIC 8007
Suite 913, Exchange Tower
530 Little Collins Street
Melbourne VIC 3000
T: 1300 992 916 F: +61 8 9315 2233
E: registrar@securitytransfer.com.au
W: www.securitytransfer.com.au

Code:

GWR

Holder Number:

PROXY FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

VOTE ONLINE

Lodge your proxy vote securely at www.securitytransfer.com.au

1. Log into the Investor Centre using your holding details.
2. Click on "Proxy Voting" and provide your Online Proxy ID to access the voting area.

SECTION A: Appointment of Proxy

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

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The meeting chairperson

OR

or failing the person named, or if no person is named, the Chairperson 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, as the Proxy sees fit) at the Annual General Meeting of the Company to be held at 11:00am WST on Friday 23 November 2018 at Bennett & Co, Ground Floor, 28 The Esplanade, Perth WA 6000 and at any adjournment 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 Resolutions 1, 3, 4, 5 & 6 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 3, 4, 5 & 6 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

SECTION B: Voting Directions

Please mark "X" in the box to indicate your voting directions to your Proxy. The Chairperson of the Meeting intends to vote undirected proxies in FAVOUR of all the resolutions. In exceptional circumstances, the Chairperson of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

RESOLUTION

For Against Abstain*

1. Adoption of Remuneration Report

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2. Re-election of Director - Tan Sri Dato' Tien Seng Law

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3. Grant of Shares in lieu of fees to Mr Gary Lyons

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4. Grant of Shares in lieu of fees to Tan Sri Dato' Tien Seng Law

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5. Grant of Shares in lieu of fees to Mr Kong Leng Lee

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6. Grant of Shares in lieu of fees to Datuk Chin An Lau

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7. Approval of the issue of Equity Securities up to 10% of the issued capital

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If no directions are given my proxy may vote as the proxy thinks fit or may abstain. * If you mark the Abstain box for a particular item, you are directing your Proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SECTION C: Signature of Security Holder(s)

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder

Security Holder 2

Security Holder 3

Sole Director & Sole Company Secretary

Director

Director/Company Secretary

Proxies must be received by Security Transfer Australia Pty Ltd no later than 11:00am WST on Wednesday 21 November 2018.



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Name:

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This is the name and address on the Share Register of the Company. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a shareholder of the Company.

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

You are entitled to appoint up to two (2) persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second Proxy, an additional Proxy form may be obtained by contacting the Company's share registry or you may photocopy this form.

- a) On each of the Proxy forms, state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each Proxy may exercise, each Proxy may exercise half of your votes; and
- b) Return both forms in the same envelope.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Australia Pty Ltd no later than the date and time stated on the form overleaf. Any Proxy form received after that time will not be valid for the scheduled meeting.

Email registrar@securitytransfer.com.au

Personal information is collected on this form by Security Transfer Australia Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Australia Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.