
AUROCH MINERALS NL

ACN 148 966 545

NOTICE OF GENERAL MEETING

The General Meeting of the Company will be held at the Amberley Business Centre, 3/1060 Hay Street West Perth WA 6005, Western Australia on Thursday, 15 October 2015 at 10:00am (WST)

This Notice of 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 accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on (08) 9486 4699.

AUROCH MINERALS NL

ACN 148 966 545

NOTICE OF GENERAL MEETING

Notice is hereby given that an general meeting of Shareholders of Auroch Minerals NL (**Company**) will be held at the Amberley Business Centre, 3/1060 Hay Street, West Perth WA 6005, Western Australia on Thursday, 15 October 2015 at 10:00am (WST) (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on 13 October 2015 at 4.00 pm (WST).

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Section 8.

AGENDA

1. Resolution 1 – Approval of the sale of the Manica Gold Project

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

“That for the purposes of Listing Rule 11.2 and for all other purposes, Shareholders approve the sale of the Manica Gold Project (through the sale of all of the issued share capital of Mistral and transfer of shares in Explorator held by Auroch Mozambique) to Xtract on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution by 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, the Company will 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 directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. Resolution 2 – Approval of issue of Convertible Notes

To consider, and if thought fit, to pass with or without amendment, 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 up to 614,956 Convertible Notes to the Facility Providers on the terms and conditions as set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by the Facility Providers 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, the Company will not disregard a vote if:

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

3. Resolution 3 – Approval of issue of GW Convertible Notes

To consider, and if thought fit, to pass with or without amendment, 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 up to 525,000 GW Convertible Notes to Mr Glenn Whiddon (or his nominee) on the terms and conditions as set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr Glenn Whiddon and any of his associates.

However, the Company will not disregard a vote if:

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

4. Resolution 4 – Approval to Issue Shares

To consider, and if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Directors, if they think fit, to issue up to 3,000,000 Shares at a deemed issue price of \$0.08, and otherwise on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person who may participate in the proposed issue of the Shares 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, the Company will not disregard a vote if:

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

5. Resolution 5 – Approval of issue of MF Shares to Mr Matthew Foy

To consider, and if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

*“That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve and authorise the Directors to issue up to 175,000 Shares (**MF Shares**) to Mr Matthew Foy on the terms and conditions as set out in the Explanatory Memorandum.”*

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr Matthew Foy and any of his associates.

However, the Company will not disregard a vote if:

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

6. Resolution 6 – Approval to Issue Options

To consider, and if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Directors, if they think fit, to issue up to 1,000,000 Options exercisable at \$0.10 on or before the date that is 3 years from the date of issue, and otherwise on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person who may participate in the proposed issue of the Shares 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, the Company will not disregard a vote if:

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

Dated 15 September 2015

BY ORDER OF THE BOARD

Matthew Foy
Company Secretary

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at the Amberley Business Centre, 3/1060 Hay Street, West Perth WA 6005, Western Australia on Thursday, 15 October 2015 at 10:00am (WST).

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions set out in the Notice.

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Proxies

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

Please note that:

- (a) a member of the Company entitled to attend and vote at the General meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) 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.

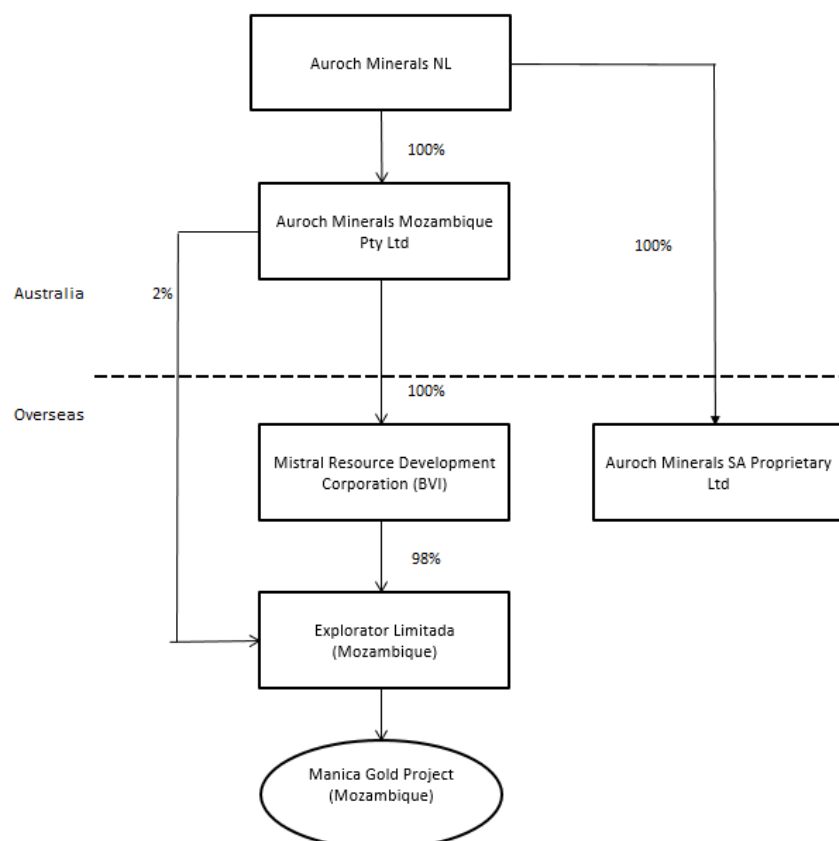
3. Resolution 1 – Approval of the sale of the Manica Gold Project

3.1 Background

The Company seeks Shareholder approval under Listing Rule 11.2 for the disposal of its main undertaking, the Manica Gold Project, which is indirectly owned by the Mozambique Subsidiaries (**Disposal**).

The Company acquired the Manica Gold Project from Pan African Resources plc in early 2013.

The Manica Gold Project is held by the Company group as follows:



The Company has entered into an agreement with Xtract, pursuant to which Xtract will acquire the Manica Gold Project through the acquisition of all of the issued capital in Mistral and transfer of shares representing 2% of Explorator held by Auroch Mozambique.

The Company will retain its interest in prospecting licence P63/1694 (the **Peninsula Gold Project**) and prospecting licence P63/1646 (the **Beete Gold Project**) in Western Australia, which will become the focus of the Company's ongoing exploration.

A summary of the commercial terms of the Disposal are set out in Section 3.2 below.

3.2 Commercial Terms

The material terms of the share sale agreement between the Company and Xtract (**Sale Agreement**) are as follows:

- (a) Under the Agreement, Xtract will acquire 100% of the issued capital of Mistral (which indirectly own 98% of the Manica Gold Project) and transfer of shares representing

2% of Explorator held by Auroch Mozambique for consideration of up to US\$10,000,000 comprising:

- a) the issue of 1,032,258,065 new Xtract Shares to the value of US\$4,000,000 at Completion (**Consideration Shares**);
- b) US\$6,000,000 in cash comprising:
 - (A) US\$500,000 on execution of the revised transaction as announced on 14 September 2015;
 - (B) US\$3,500,000 payable at Completion;
 - (C) US\$1,800,000 payable 3 months post Completion; and
 - (D) US\$200,000 on completion of transfer of 2% of Explorator held by Auroch Mozambique to Xtract;
- (b) Effective from 1 June 2015 Xtract will be responsible for the management and supervision of all operations of the Mozambique Subsidiaries and their subsidiaries including the management of the Manica Gold Project as well as funding associated costs and liabilities.
- (c) Completion is subject to and conditional on the following conditions:
 - a) Shareholder approval of Resolution 1;
 - b) The parties obtaining prior consent of the Government of Mozambique through the Ministry of Mineral Resources and Energy to the extent required under the Mozambique Mining Act and other applicable law to the change in control of the Mozambique Subsidiaries and communicating in writing such change in control to the Mozambican mining authorities (if required); and
 - c) admission of the Consideration Shares to AIM becoming effective in accordance with the relevant rule of the AIM Rules.
- (d) There are standard commercial warranties provided by the Company in respect of the Mozambique Subsidiaries and the Manica Gold Project.
- (e) Xtract has separately agreed to loan the Company up to US\$1,500,000 to settle project-related creditors. This loan will be secured over 12.245% (assuming the full US\$1,500,000 is advanced, otherwise a proportional reduction) of the shares in Mistral and which loan, if Completion does not occur, will be capitalised into shares equal to 12.245% of Mistral (assuming full drawdown of the US\$1,500,000 loan).

3.3 Listing Rule 11.2

Listing Rule 11.2 provides that a company must not dispose of its main undertaking (that is, its main asset or business) without the approval of its shareholders. The sale of the Manica Gold Project requires the approval by way of an ordinary resolution of Shareholders. Shareholders should be aware that following the proposed disposal of the Company's main undertaking, ASX may require the Company to seek shareholder approval pursuant to ASX Listing Rule 11.1.2 and/or re-comply with Chapters 1 and 2 of the Listing Rules pursuant to ASX Listing Rule 11.1.3 with respect of any future transaction the Company may enter into.

Resolution 1 is an ordinary Resolution.

3.4 Reasons for the Disposal

The Directors believe that following an assessment of the advantages and disadvantages disclosed below the Disposal is in the best interests of the Company.

Advantages of the sale of the Manica Gold Project

The Directors are of the view that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision on how to vote on Resolution 1:

- (a) The Disposal allows the Company to reduce its costs and utilise otherwise unavailable capital on the Company's Beete and Peninsula Gold Projects.
- (b) The Disposal will enable the Company to consider alternative asset acquisitions that the Directors believe will add value to Shareholders.
- (c) The Disposal is a positive outcome for the Company as the consideration represents more than a 300% premium to the Company's current market capitalisation of approximately \$5,000,000 (assuming an exchange rate of US\$1 = AUD\$0.735).
- (d) The Directors are satisfied that they have achieved the best possible price attainable for the Manica Gold Project. The Directors held discussions with various other parties however they believe the Xtract agreement was in the best interests of the Company and its shareholders
- (e) The Company will continue to participate in the growth of the Manica Gold Project via the Xtract Shares received as consideration for the sale of the Manica Gold Project.
- (f) Xtract's Chairman Mr Colin Bird and CEO Mr Jan Nelson have a long history of involvement in the Manica Gold Project having been involved with the initial acquisition of the Manica Gold Project while at Pan African Resources plc in 2006. The Board believes that Xtract has an excellent technical and operating team and has the ability, in the near future, to bring the project into production.

Disadvantages of the sale of the Manica Gold Project

The Directors are of the view that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision on how to vote on Resolution 1:

- (g) Following completion of the sale, the Company will no longer have any direct interest in the Manica Gold Project and will not have any control over how the project is managed. However the Company will maintain an indirect ability to gain from any future upside from the Manica Gold Project as it will receive Xtract Shares as part of the consideration for the sale.
- (h) The Disposal involves the Company selling a principal asset, which may not be consistent with the investment objectives of all Shareholders.
- (i) There is no certainty or guarantee that the Company will be able to identify and acquire an attractive new investment opportunity or project, or that any new investment opportunity or project acquired will ultimately create any value for shareholders.

3.5 Future of the Company after the sale of the Manica Gold Project

The Company's assets following the Disposal will comprise of:

- (a) 100% interest in the Peninsula Gold Project, located 25 kilometres North-North East of Norseman in Western Australia and prospective for gold.
- (b) 100% interest in the Beete Gold Project, located 75 kilometres south of Norseman in Western Australia and prospective for gold.
- (c) cash and cash equivalents of approximately \$5.6 million (excluding any costs and tax associated with the Disposal).

After completion of the Disposal, the Company will focus its exploration activities on the Peninsula and Beete Gold Projects as well as pursuing investment opportunities that have potential to generate shareholder returns.

As part of any new acquisition, the Company may be required to re-comply with the conditions for admission to the official list of ASX. While this will result in the Company incurring additional transaction costs in satisfying these conditions, the Company may have needed to re-comply with these conditions in any event if it were to make an acquisition which results in a significant change to the nature and scale of the Company's existing operations.

3.6 Future of the Company if the sale of the Manica Gold Project is not approved

In the event that Shareholders do not approve the sale of the Manica Gold Project, the Company will continue to develop the Manica Gold Project via the undertaking of additional technical and study work with the intention of bringing the Project into production.

3.7 Impact of the sale of the Manica Gold Project on the financial position of the Company

Set out in Schedule 1 is a pro forma balance sheet on completion of the sale of the Manica Gold Project.

3.8 Other Material Information

There is no other information material to the making of a decision by a Shareholder whether or not to approve Resolution 1 (being information that is known to any of the Directors and which has not been previously disclosed to Shareholders) other than as disclosed in this Explanatory Memorandum.

3.9 Directors' Recommendation

After considering all relevant factors, the Directors unanimously recommend that Shareholders vote in favour of Resolution 1 for the following reasons:

- (a) after a full and proper assessment of all available information they believe that the proposed sale of the Manica Gold Project is in the best interests of the Shareholders and the Company;
- (b) in the opinion of the Directors, the advantages of the sale of the Manica Gold Project outweigh its disadvantages; and

- (c) the Directors are satisfied that they have achieved the best possible terms for the sale of the Manica Gold Project in the current circumstances and market conditions facing the Company.

4. Resolutions 2 and 3 – Approval of issue of Convertible Notes and GW Convertible Notes

4.1 Background

The Facility Providers and Mr Glenn Whiddon have in aggregate provided \$1,139,956 to the Company through a debt facility (**Debt Facility**), as was advised to ASX on 30 April 2014, 3 November 2014, 14 November 2014, 20 March 2015 and 22 June 2015. This short term funding was used to ensure that the Company had sufficient working capital and to assist in the costs of disposing of the Manica Gold Project. Under the terms of the Debt Facility, it is proposed that the debt facility funds advanced by the Facility Providers and Mr Whiddon are substituted with convertible notes with a face value of \$1.00 each, subject to Shareholder approval being obtained in accordance with the Listing Rules.

If approved by Shareholders, the principal amount advanced to the Company under the Debt Facility will be substituted with the Convertible Notes (614,956) and the GW Convertible Notes (525,000). The Convertible Notes and the GW Convertible Notes will be convertible into Shares and Attaching Options from the Convertibility Date, at the election of the Noteholder, at a price that is a 20% discount to the 5 day volume weighted average price of Shares on the ASX for the 5 traded days prior to the date that a notice to convert is given (the **Conversion Price**) together with one free Attaching Option for every two Shares issued on Conversion. The Attaching Options will be unlisted and exercisable at \$0.08 on or before 31 December 2018. The terms of the Attaching Options are set out in Schedule 3.

The principal amount advanced to the Company under the Debt Facility together with any accrued interest is repayable by 30 June 2016 (**Repayment Date**). Funds advanced under the Debt Facility accrue interest at 9.25% per annum payable in cash quarterly on the last business day of each quarter. If Interest is not paid in cash quarterly on the last business day of each quarter then the interest rate payable for the remainder of the period until the Repayment Date will increase to 12% per annum.

In consideration for the provision of the funds pursuant to the Debt Facility, the Company has paid the Facility Providers and Mr Glenn Whiddon a facility fee of 5% of funds advanced under the Debt Facility in cash.

On 19 June 2015 the Company received a notice of conversion request from a Facility Provider representing a principal amount of \$100,000. If Resolution 2 is passed this amount will be converted into Shares at a Conversion Price of \$0.069 representing a 20% discount to the 5-day VWAP prior to the notice of conversion being received by the Company.

On 23 June 2015 the Company received a notice of conversion request from Mr Glenn Whiddon representing a principal amount of \$150,000. If Resolution 3 is passed this amount will be converted into Shares at a Conversion Price of \$0.076 representing a 20% discount to the 5-day VWAP prior to the notice of conversion being received by the Company.

If Shareholder approval is not obtained for the issue of the Convertible Notes or the GW Convertible Notes pursuant to Resolutions 2 and 3, the Company will be required to repay the Face Value plus any accrued interest on the Repayment Date (**Repayment Amount**). In addition, the Company will be required to issue that number of Attaching Options equal to the Repayment Amount divided by the Conversion Price divided by two to the Facility Providers

utilising the Company's available placement capacity pursuant to ASX Listing Rule 7.1. The Company will also be required to issue Mr Glenn Whiddon that number of Attaching Options equal to the Repayment Amount divided by the Conversion Price divided by two, subject to shareholder approval.

The key terms of the Convertible Notes and GW Convertible Notes are set out in Schedule 2. The Convertible Notes and GW Convertible Notes have equivalent terms.

4.2 Issue of Convertible Notes to Facility Providers

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities (which includes convertible securities), or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Resolution 2 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of the Convertible Notes. If Shareholder approval is given under Listing Rule 7.1 for the issue of the Convertible Notes, approval is not required under Listing Rule 7.1 for the issue of the Shares and Attaching Options to the Facility Providers on conversion of the Convertible Notes pursuant to exception 4 of Listing Rule 7.2.

Resolution 2 is an ordinary resolution.

4.3 Listing Rule 7.3 Disclosure

For the purposes of Listing Rule 7.3, information regarding the Convertible Notes is provided as follows:

- (a) The Convertible Notes will be issued to the Facility Providers.
- (b) Up to 614,956 Convertible Notes will be issued to the Facility Providers. The Convertible Notes (excluding any accrued interest) will be convertible into a maximum of 20,498,549 Shares and 10,249,275 Attaching Options assuming a Conversion Price of \$0.03. The current 5-day VWAP of the Company's securities is \$0.088 which equates to a Conversion Price of \$0.071. By way of example, if the Convertible Notes were converted at the current 5-day VWAP and associated Conversion Price, a total of 8,661,359 Shares and 4,330,679 Attaching Options would be issued.
- (c) The Company will issue the Convertible Notes as soon as practicable after, and in any event by no later than 3 months after the Meeting. The Convertible Notes will be convertible at any time after the Convertibility Date at the election of the Facility Providers at the Conversion Price.
- (d) No funds will be raised by the issue of the Convertible Notes substituting the Debt Facility. No funds will be raised from the issue of Shares and Attaching Options on conversion of the Convertible Notes.
- (e) The Convertible Notes will be issued at a face value of \$1.00 per Convertible Note and will be convertible into Shares at the Conversion Price together with a one for two Attaching Option. The Shares will be issued on the same terms as the Company's existing Shares. The Attaching Options will be issued on the terms and conditions set out in Schedule 3. Further terms and conditions of the Convertible Notes are set out in Schedule 2.

- (f) A voting exclusion statement is included in the Notice.

4.4 Issue of GW Convertible Notes to Glenn Whiddon

Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, equity securities (which includes convertible securities) to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained, unless an exception in Listing Rule 10.12 applies.

Mr Glenn Whiddon is a related party of the Company as he is a Director of the Company.

Resolution 3 seeks Shareholder approval pursuant to Listing Rule 10.11 for the issue of the GW Convertible Notes into Shares. If Shareholder approval is given under Listing Rule 10.11 for the issue of the GW Convertible Notes, approval is not required under Listing Rule 10.11 for the issue of the Shares and Attaching Options to Mr Glenn Whiddon on conversion of the GW Convertible Notes pursuant to exception 7 of Listing Rule 10.12. If approval for the issue of the GW Convertible Notes is given under Listing Rule 10.11, Shareholder approval is not required under Listing Rule 7.1.

Resolution 3 is an ordinary resolution.

4.5 Listing Rule 10.13 Disclosure

For the purposes of Listing Rule 10.13 information regarding the GW Convertible Notes is provided as follows:

- (a) The GW Convertible Notes will be issued to Mr Glenn Whiddon.
- (b) Up to 525,000 GW Convertible Notes will be issued to Mr Glenn Whiddon. The GW Convertible Notes (excluding any accrued interest) will be convertible into a maximum of 17,500,000 Shares and 8,750,000 Attaching Options assuming a Conversion Price of \$0.03. The current 5-day VWAP of the Company's securities is \$0.083 which equates to a Conversion Price of \$0.067. By way of example, if the Convertible Notes were converted at the current 5-day VWAP and associated Conversion Price, a total of 7,835,820 Shares and 3,917,910 Attaching Options would be issued
- (c) The Company will issue the GW Convertible Notes as soon as practicable after, and in any event by no later than 1 month after the Meeting. The GW Convertible Notes will be convertible at any time after the Convertibility Date at the election of Mr Glenn Whiddon.
- (d) Mr Glenn Whiddon is a related party of the Company as he is a Director of the Company.
- (e) No funds will be raised by the issue of the Convertible Notes substituting the Debt Facility. No funds will be raised from the issue of Shares and Attaching Options on conversion of the Convertible Notes.
- (f) The GW Convertible Notes will be issued at a face value of \$1.00 per GW Convertible Note and will be convertible into Shares at the Conversion Price together with a one for two Attaching Option. The Shares will be issued on the same terms as the Company's existing Shares. The Attaching Options will be issued on the terms and conditions set out in Schedule 3. Further terms and conditions of the GW Convertible Notes are set out in Schedule 2.

- (g) A voting exclusion statement is included in the Notice.

5. Resolution 4 – Approval to Issue Shares

5.1 Background

The Company seeks prior Shareholder approval under Listing Rule 7.1 for the issue of up to 3,000,000 Shares at a deemed issue price of \$0.08 to employees and unrelated contractors of the Company in satisfaction of remuneration, fees and employee entitlements forgone.

The Directors believe that Resolution 4 is in the best interests of the Company and recommend that Shareholders vote in favour of it.

Resolution 4 is an ordinary resolution.

5.2 Listing Rule 7.3 Disclosure

For the purposes of Listing Rule 7.3, information regarding the issue of shares is provided as follows:

- (a) The maximum number of securities that the Company may issue under the proposed issue is 3,000,000 Shares.
- (b) The Shares may be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules).
- (c) The Shares will be issued at a deemed issue price of \$0.08.
- (d) The Shares will be issued to employees and contractors that are considered unrelated parties to the Company for the purposes of the Corporations Act 2001.
- (e) The Shares will comprise fully paid ordinary shares of the Company ranking equally with all other fully paid ordinary shares of the Company.
- (f) No funds will be raised by the issue of Shares as they will be issued in lieu of outstanding remuneration, fees and employee entitlements.
- (g) The issue of the Shares may occur progressively.
- (h) A voting exclusion statement is included in the Notice.

6. Resolution 5 – Approval of issue of MF Shares to Mr Matthew Foy

6.1 Background

Resolution 5 seeks Shareholder approval pursuant to Listing Rule 10.11 for the issue of up to 175,000 Shares to Mr Matthew Foy in lieu of Director Fees forgone (**MF Shares**). If Mr Foy elects to receive Shares in lieu of cash, then the Company will issue up to 175,000 ordinary shares at a deemed issue price of \$0.08 per Share.

If Shareholders approve Resolution 5, the issue of the MF Shares pursuant to Listing Rule 10.11, Shareholder approval is not required under Listing Rule 7.1.

Resolution 5 is an ordinary resolution.

6.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

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

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

The issue of Shares constitutes giving a financial benefit and Mr Matthew Foy is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Matthew Foy who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Shares because the Shares will be issued in lieu of fees forgone and the giving of the financial benefit was negotiated on an arm's length basis.

6.3 ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the issue of the Shares involves 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.

6.4 Listing Rule 10.13 Disclosure

For the purposes of Listing Rule 10.13 information regarding the issue of the MF Shares is provided as follows:

- (a) The MF Shares will be issued to Mr Matthew Foy.
- (b) The maximum number of Shares the Company may issue to Mr Foy is 175,000.
- (c) The Company will issue the MF Shares no later than one month after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules).
- (d) The MF Shares will be issued for nil cash consideration in lieu of outstanding Director Fees and accordingly no funds will be raised from the issue of the MF Shares.
- (e) The MF Shares will comprise fully paid ordinary shares ranking equally with all other fully paid ordinary shares of the Company.
- (f) A voting exclusion statement is included in the Notice.

7. Resolution 6 – Approval to Issue Options

7.1 Background

The Company seeks prior Shareholder approval under Listing Rule 7.1 for the issue of up to 1,000,000 Options exercisable at \$0.10 on or before the date that is 3 years from the date of issue. The Options are proposed to be issued to contractors of the Company that have accepted extended payment terms during the normal course of business.

The Directors believe that Resolution 6 is in the best interests of the Company and recommend that Shareholders vote in favour of it.

Resolution 6 is an ordinary resolution.

7.2 Listing Rule 7.3 Disclosure

For the purposes of Listing Rule 7.3, information regarding the issue of shares is provided as follows:

- (a) The maximum number of securities that the Company may issue under the proposed issue is 1,000,000 Options exercisable at \$0.10 on or before the date that is 3 years from the date of issue.
- (b) The Options may be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules).
- (c) The Options will be issued on the terms and conditions set out in Schedule 4.
- (d) The Options will be issued for nil consideration and no funds will be raised by the issue of Options. Shares issued upon exercise of the Options will rank equally with all other fully paid ordinary shares of the Company.
- (e) The Options will be issued to contractors that are considered unrelated parties to the Company for the purposes of the Corporations Act 2001.
- (f) The Company expects the issue of Options to occur on one date.
- (g) A voting exclusion statement is included in the Notice.

8. Definitions

AIM means the AIM Market operated by the London Stock Exchange Group plc.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Attaching Option means an unlisted option exercisable at \$0.08 on or before 31 December 2018 to be issued to the Facility Providers on the terms and conditions set out in Section 4.1 and Schedule 3.

Auroch Mozambique means Auroch Minerals Mozambique Pty Ltd ACN 159 952 084.

Beete Gold Project has the meaning set out in Section 3.1.

Board means the board of Directors.

Chairman means the person appointed to chair the Meeting.

Company or **Auroch** means Auroch Minerals NL ACN 148 966 545.

Completion means completion of the sale of the Manica Gold Project to Xtract pursuant to the Sale Agreement.

Consideration Shares has the meaning given in Section 3.2.

Constitution means the constitution of the Company.

Conversion Price has the meaning given in Section 4.1.

Convertibility Date means any time during the period commencing on the date that the Company obtains shareholder approval and ending on the Repayment Date.

Convertible Notes means the convertible notes having a face value of \$1.00 each to be issued to the Facility Providers with the key terms set out in Section 4.1 and Schedule 2.

Corporations Act means the Corporations Act 2001 (Cth).

Debt Facility has the meaning given in Section 4.1.

Director means a director of the Company.

Disposal has the meaning given in Section 3.1.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

Explorator means Explorator Limitada, a limited quota company incorporated under the laws of Mozambique.

Facility Providers means certain sophisticated and professional investors that are unrelated to the Company.

GW Convertible Notes means the convertible notes having a face value of \$1.00 each to be issued to Mr Glenn Whiddon (or his nominee) with the key terms set out in Section 4.1 and Schedule 2.

Listing Rules means the listing rules of ASX.

Manica Gold Project means the Company's project conducted on mining concession 3990C.

Mistral means Mistral Resource Development Corporation, a company incorporated in the British Virgin Islands with registration number 552594.

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

MF Shares has the meaning set out in Section 6.1.

Mozambique Subsidiaries means Explorator and Mistral.

Note means a Convertible Note or a GW Convertible Note, as the case may be.

Noteholder means a holder of Convertible Notes or holder of GW Convertible Notes, as the case may be.

Notice means this notice of meeting.

Options means an option to acquire a Share.

Peninsula Gold Project has the meaning set out in Section 3.1.

Proxy Form means the proxy form attached to the Notice.

Resolution means a resolution contained in this Notice.

Sale Agreement has the meaning given to that term in Section 3.2.

Schedule means a schedule to this Notice.

Section means a section contained in this Explanatory Memorandum.

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

Shareholder means a shareholder of the Company.

VWAP means the volume weighted average price.

WST means Western Standard Time, being the time in Perth, Western Australia.

Xtract means Xtract Resources PLC a company incorporated and registered in England and Wales under the Companies Act 1985 with registered company number 05267047.

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

In this Notice, words importing the singular include the plural and vice versa.

Schedule 1 – Pro Forma Balance Sheet

Auroch Minerals NL				
Proforma Unaudited Balance Sheet at 30 June 2015				
	Auroch Minerals NL Group 30 June 2015		Proforma 30 June 2015	
	Unaudited		Unaudited	
	\$	Notes	\$	
ASSETS				
Current Assets				
Cash and cash equivalents	86,667	(a)	8,249,932	
Assets held for sale	7,953,592	(b)	-	
Financial assets	-	(c)	5,442,176	
Trade and other receivables	20,085		20,085	
Total Current Assets	8,060,344		13,712,193	
Non current assets				
Property, plant and equipment	-		-	
Mineral exploration and evaluation expenditure	214,479		214,479	
Total Non Current Assets	214,479		214,479	
Total Assets	8,274,823		13,926,672	
LIABILITIES				
Current Liabilities				
Trade and other payables	2,312,126	(d)	951,582	
Borrowings	1,686,999		1,686,999	
Total Current Liabilities	3,999,125		2,638,581	
TOTAL LIABILITIES	3,999,125		2,638,581	
NET ASSETS	4,275,698		11,288,091	
EQUITY				
Contributed equity	8,047,322		8,047,322	
Reserves	194,197		194,197	
Accumulated profit/(losses)	(3,965,821)	(e)	3,046,572	
TOTAL EQUITY	4,275,698		11,288,091	

Proforma adjustments:

- (a) US\$6,000,000 cash received on completion (including deferred payment) of sale of the Manica Gold Project (assuming USD:AUD of 1:0.735).
- (b) Capitalised exploration of the Manica Gold Project following execution of the share sale agreement with Xtract.
- (c) US\$4,000,000 of Xtract shares received on completion of sale of the Manica Gold Project (assuming USD:AUD of 1:0.735).
- (d) Reduction in trade creditors following receipt of US\$1,000,000 from Xtract (assuming USD:AUD of 1:0.735).
- (e) Adjustment of equity following sale of the Manica Gold Project.

Schedule 2 – Terms and conditions of Convertible Notes and GW Convertible Notes (Notes)

1.	Face Value and Principal Amount	\$1 per Note.
2.	Term	Until 30 June 2016.
3.	Repayment Date	At any time prior to the end of the Term.
4.	Interest	9.25% per annum, to be paid in cash quarterly on the last business day of each quarter. If Interest is not paid in cash quarterly on the last business day of each quarter then the interest rate payable for the remainder of the period until the Repayment Date will increase to 12% per annum.
5.	Conversion Price	Subject to Shareholder approval, each Note together with any accrued interest shall be convertible at any time after the Convertibility Date, at a price that is a 20% discount to the 5 day volume weighted average price of Shares on the ASX for the 5 traded days prior to the date that a notice to convert is given (the Conversion Price) together with one free Attaching Option for every two Shares issued on Conversion.
6.	Facility Fee	5% of the Face Value of a Note payable in cash within five business days of draw down.
7.	Security	The Notes will not be secured.
8.	Negative Pledge	The Company nor any of its subsidiaries shall, without the prior consent in writing of the Noteholders, create or purport or attempt to create any encumbrance of any nature whatsoever over any assets of the Company or any of its subsidiaries whilst any of the Principal Amount or Interest remain outstanding, other than certain permitted encumbrances arising in the ordinary course of business.
9.	Events of Default	The face value of the Notes and outstanding Interest (calculated on the date of the relevant default) will immediately become due and payable if any of the following events shall occur and written notice of the occurrence of such event is given to the Company: a) the Company makes default in duly performing or observing any of the undertakings or agreements on its part contained in the Note Conditions and such default, if capable of remedy, is not remedied within ten Business Days after notice from the Noteholder requiring such default to be remedied; or b) an Event of Insolvency has occurred in relation to the Company or any Subsidiary or Related Body Corporate of the Company or any act has occurred or any omission made which may result in an Event of Insolvency occurring in respect of the Company or any Subsidiary or Related Body Corporate of the Company.

Schedule 3 – Terms and Conditions of Attaching Options

(b) Entitlement

The Attaching Options entitle the holder to subscribe for one Share upon the exercise of each Attaching Option.

(c) Exercise price

The exercise price of each Attaching Option is \$0.08 (**Exercise Price**).

(d) Expiry date

The expiry date of each Attaching Option is 31 December 2018 (**Expiry Date**).

(e) Exercise period

The Attaching Options are exercisable at any time on or prior to the Expiry Date.

(f) Notice of exercise

The Attaching Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Attaching Option being exercised. Any Notice of Exercise of an Attaching Option received by the Company will be deemed to be a notice of the exercise of that Attaching Option as at the date of receipt.

(g) Shares issued on exercise

Shares issued on exercise of the Attaching Options will rank equally with the then issued Shares of the Company.

(h) Attaching Options not quoted

The Company will not apply to ASX for quotation of the Attaching Options.

(i) Quotation of Shares on exercise

Application will be made by the Company to ASX for official quotation of the Shares issued upon the exercise of the Attaching Options.

(j) Timing of issue of Shares

After an Attaching Option is validly exercised, the Company must as soon as possible:

- a) issue the Share; and
- b) do all such acts, matters and things to obtain:
 - (A) the grant of quotation for the Share on ASX no later than 5 days from the date of exercise of the Attaching Option; and
 - (B) receipt of cleared funds equal to the sum payable on the exercise of the Attaching Option.

(k) Participation in new issues

There are no participation rights or entitlements inherent in the Attaching Options and the holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Attaching Options.

(l) Adjustment for bonus issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- a) the number of Shares which must be issued on the exercise of Attaching Option will be increased by the number of Shares which the option holder would have received if the option holder had exercised the Attaching Option before the record date for the bonus issue; and
- b) no change will be made to the Exercise Price.

(m) **Adjustment for rights issue**

If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment of the Exercise Price of an Attaching Option.

(n) **Adjustments for reorganisation**

If there is any reconstruction of the issued share capital of the Company, the rights of the option holder may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

(o) **Attaching Options transferable**

The Attaching Options are transferable.

(p) **Lodgement instructions**

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Attaching Options with the appropriate remittance should be lodged at the Company's share registry.

Schedule 4 – Terms and Conditions of Options

(a) Entitlement

The Options entitle the holder to subscribe for one Share upon the exercise of each Option.

(b) Exercise price

The exercise price of each Attaching Option is \$0.10 (**Exercise Price**).

(c) Expiry date

The expiry date of each Option is the date that is 3 years from the date of issue (**Expiry Date**).

(d) Exercise period

The Options are exercisable at any time on or prior to the Expiry Date.

(e) Notice of exercise

The Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised. Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

(f) Shares issued on exercise

Shares issued on exercise of the Options will rank equally with the then issued Shares of the Company.

(g) Options not quoted

The Company will not apply to ASX for quotation of the Options.

(h) Quotation of Shares on exercise

Application will be made by the Company to ASX for official quotation of the Shares issued upon the exercise of the Options.

(i) Timing of issue of Shares

After an Option is validly exercised, the Company must as soon as possible:

- a) issue the Share; and
- b) do all such acts, matters and things to obtain:
 - (A) the grant of quotation for the Share on ASX no later than 5 days from the date of exercise of the Option; and
 - (B) receipt of cleared funds equal to the sum payable on the exercise of the Option.

(j) Participation in new issues

There are no participation rights or entitlements inherent in the Options and the holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.

(k) Adjustment for bonus issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- a) the number of Shares which must be issued on the exercise of 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
- b) no change will be made to the Exercise Price.

(l) Adjustment for rights issue

If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment of the Exercise Price of an Option.

(m) **Adjustments for reorganisation**

If there is any reconstruction of the issued share capital of the Company, the rights of the option holder may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

(n) **Options transferable**

The Options are transferable.

(o) **Lodgement instructions**

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Options with the appropriate remittance should be lodged at the Company's share registry.

AUROCH MINERALS NL

ACN 148 966 545

PROXY FORM

The Company Secretary
Auroch Minerals NL

By delivery:

Office J, Level 2
1139 Hay Street
WEST PERTH WA 6005

By post:

PO Box 7653
PERTH WA 6850

By facsimile:

+61 8 9486 4799

Step 1 – Appoint a Proxy to Vote on Your Behalf

I/We¹ _____

of _____

being a Shareholder/Shareholders of the Company and entitled to _____

votes in the Company, hereby appoint:

The Chairman of the Meeting (mark box) ☐

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name and address of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy

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 on my/our behalf at the Meeting to be held at the Amberley Business Centre, 3/1060 Hay Street, West Perth WA 6005, Western Australia on Thursday, 15 October 2015 at 10:00am (WST) and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit, except for as set out below).

The Chairman of the Meeting intends to vote undirected proxies in favour of each Resolution.

Proxy appointments will only be valid and accepted by the Company if they are made and received no later than 48 hours before the meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒.

Step 2 – Instructions as to Voting on Resolutions

INSTRUCTIONS AS TO VOTING ON RESOLUTIONS

The proxy is to vote for or against the Resolution referred to in the Notice as follows:

		For	Against	Abstain
Resolution 1	Approval of the sale of the Manica Gold Project	☐	☐	☐
Resolution 2	Approval of issue of Convertible Notes	☐	☐	☐
Resolution 3	Approval of issue of GW Convertible Notes	☐	☐	☐
Resolution 4	Approval to issue Shares	☐	☐	☐
Resolution 5	Approval to issue MF Shares	☐	☐	☐
Resolution 6	Approval to issue Options	☐	☐	☐

Authorised signature/s

This section **must** be signed in accordance with the instructions below to enable your voting instructions to be implemented.

* If you mark the Abstain box for a particular Resolution, 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.

The Chairman of the Meeting intends to vote undirected proxies in favour of each Resolution.

Individual or Shareholder 1

Sole Director and Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

¹Insert name and address of Shareholder

Proxy Notes:

A Shareholder entitled to attend and vote at the General Meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at that General Meeting. If the Shareholder is entitled to cast 2 or more votes at the General Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that General Meeting, the representative of the body corporate to attend the General Meeting must produce the Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Company's share registry.

You must sign this form as follows in the spaces provided:

Joint Holding: where the holding is in more than one name all of the holders must sign.

Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.

Companies: a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the General Meeting the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received by facsimile transmission at the address below no later than 48 hours prior to the time of commencement of the General Meeting (WST).

Hand deliveries: Office J, Level 2
1139 Hay Street
WEST PERTH WA 6005

Postal address: PO Box 7653
PERTH WA 6850

Facsimile: (08) 9486 4799 if faxed from within Australia or + 61 8 9486 4799 if faxed from outside Australia.