



ASX ANNOUNCEMENT / MEDIA RELEASE

ASX:ABU

22 May, 2014

Notice of General Meeting

ABM advises that the Notice of General Meeting will be dispatched to shareholders today.

ABM invites its shareholders to attend the General Meeting on 27 June 2014.

Kind regards

A handwritten signature in blue ink, appearing to read "Jutta", with a stylized flourish extending to the right.

Jutta Zimmermann

Company Secretary

ABM RESOURCES NL

ACN 009 127 020

NOTICE OF GENERAL MEETING

TIME: 1 pm (WST)

DATE: 27 June 2014

PLACE: BDO Audit (WA) Pty Ltd
38 Station Street
Subiaco, Western Australia

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9423 9777.

CONTENTS PAGE

Business of the Meeting (setting out the proposed Resolutions)	2
Explanatory Statement (explaining the proposed Resolutions)	4
Glossary	14
Certificate of Appointment of Corporate Representative	15

IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 1 pm (WST) on 27 June 2014 at:

BDO Audit (WA) Pty Ltd, 38 Station Street, Subiaco, Western Australia.

YOUR VOTE IS IMPORTANT

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

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders at 1 pm (WST) on 25 June 2014.

VOTING IN PERSON

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

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time specified and in accordance with the instructions set out on the Proxy Form.

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

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and
- a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

BUSINESS OF THE MEETING

AGENDA

ORDINARY BUSINESS

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE – PLACEMENT SHARES

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 493,938,844 Shares (on a pre-Consolidation basis) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Pacific Road Capital Management Pty Ltd as trustee for the Pacific Road Fund II Managed Investment Trust and any associates of that person. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. RESOLUTION 2 – CONSOLIDATION OF CAPITAL

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

“That, for the purposes of section 254H of the Corporations Act, clause 10.1 of the Company’s constitution and for all other purposes, the issued capital of the Company be consolidated on the basis that:

(a) every fifteen Shares be consolidated into one Share; and

(b) every fifteen Options be consolidated into one Option,

with the consolidation taking effect on a date announced to the ASX in accordance with the ASX Listing Rules, and where this consolidation results in a fraction of a Share or Option being held by a Shareholder or Optionholder (as the case may be), the directors be authorised to round that fraction up to the nearest whole Share or Option.”

3. RESOLUTION 3 – ISSUE OF SHARES - CAPITAL RAISING

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

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to issue 322,727,823 Shares on a pre-Consolidation basis (or 21,515,188 Shares on a post-Consolidation basis) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Pacific Road Capital Management Pty Ltd as trustee for the Pacific Road Fund II Managed Investment Trust 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 need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions

on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. RESOLUTION 4 – APPROVAL OF AMENDED EMPLOYEE SHARE PLAN FOR CORPORATIONS ACT PURPOSES

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

"That, the Company's amended Employee Share Plan as set out in the Explanatory Statement is approved for the following purposes:

(a) paragraph (b) of the definition of "employee share scheme buy-back" in section 9 of the Corporations Act; and

(b) section 260C(4) of the Corporations Act"

5. RESOLUTION 5 – APPROVAL OF SHARES TO BE ISSUED UNDER AMENDED EMPLOYEE SHARE PLAN FOR ASX LISTING RULE PURPOSES

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

"That for the purposes of ASX Listing Rule 7.2 (Exception 9) and for all other purposes, approval is given for the issue of shares under the Company's amended Employee Share Plan as set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a director of the Company (except one who is ineligible to participate in any employee incentive plan in relation to the Company) and any associate of that person. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or 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: 22 MAY 2014

BY ORDER OF THE BOARD



JUTTA ZIMMERMANN

COMPANY SECRETARY

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions which are the subject of the business of the Meeting.

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF SHARES – CAPITAL RAISING

1.1 General

As announced on 13 March 2014, the Company entered into an arrangement with Pacific Road Capital Management Pty Ltd as trustee for the Pacific Road Fund II Managed Investment Trust (the **Subscriber**) and others for the issue of certain shares (**Capital Raising**). As part of the Capital Raising, the Subscriber has agreed to, subject to certain conditions being satisfied, invest \$19,600,000 in the Company by way of subscription for Shares. The investment, on a pre-Consolidation basis, will take place at \$0.024 per Share and proceed in the following two tranches:

- (a) 493,938,844 Shares will be issued as the tranche 1 Shares (**Tranche 1 Shares**) raising \$11,854,532; and
- (b) 322,727,823 Shares will be issued as the tranche 2 Shares (**Tranche 2 Shares**) raising \$7,745,468.

The Tranche 1 shares were issued to the Subscriber on 28 March 2014.

Resolution 1 seeks Shareholder ratification of the 493,938,844 Shares issued to the Subscriber on 28 March 2014 (on a pre-Consolidation basis), being Tranche 1 of the Capital Raising. ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, one of which is shareholder approval, issue or agree to issue during any 12 month period any equity 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 securities in the same class on issue at the commencement of that 12 month period.

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

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

1.2 Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the issue of the Tranche 1 Shares to the Subscriber:

- (a) 493,938,844 Shares were issued (on a pre-Consolidation basis);
- (b) the issue price was \$0.024 per Share;

- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to the Subscriber; and
- (e) it is intended that the funds raised from this issue will be used for resource delineation and infill drilling, completion of a work program, project construction of Old Pirate and working capital requirements.

2. RESOLUTION 2 – CONSOLIDATION OF CAPITAL

2.1 Background

The Company has a large number of Shares on issue (currently 3,786,864,475) due to historical equity based capital raisings and corporate transactions. Further, if the Tranche 2 Shares are issued the number of Shares on issue will increase to 4,109,592,298 (on a pre-Consolidation basis). For a company of the Company's size, this is a large number of securities to have on issue and it subjects the Company to a number of potential disadvantages including:

- (a) that the Company has a greater number of Shares on issue than many comparable companies, meaning that its Share price is lower for reasons other than valuation;
- (b) negative perceptions associated with a low Share price versus the overall value;
- (c) negative perceptions for potential international investors that generally deal in markets where companies generally have far fewer shares on issue; and
- (d) administrative inconvenience.

To assist in mitigating these disadvantages and to implement a more appropriate capital structure for the Company going forward, the Company proposes to Consolidate its Share capital.

Section 254H of the Corporations Act provides that a company may, by resolution passed in a general meeting, convert all or any of its shares into a larger or smaller number. Resolution 2 seeks shareholder approval to consolidate the number of Shares and options on issue on a one for fifteen basis.

2.2 ASX Listing Rule 7.20

ASX Listing Rule 7.20 requires that a company that proposes to reorganise its capital must advise equity security holders in writing of the following:

- (a) the effect of the proposal on the number of securities and the amount unpaid (if any) on the securities;
- (b) the proposed treatment of any fractional entitlements arising from the reorganisation; and
- (c) the proposed treatment of any convertible securities on issue.

In addition, under ASX Listing Rule 7.22.1, a company proposing to reorganise its capital must consolidate the number of options on issue in the same ratio as the

ordinary securities and the exercise price must be amended in inverse proportion to the ratio.

The information required by ASX Listing Rule 7.20 is set out below.

2.3 Effect on capital structure

The effect of the Consolidation on the Company's Share structure is as follows (ignoring the effect of fractional entitlements):

	Pre-Consolidation	Post-Consolidation
Number of Shares on issue at the date of this notice	3,786,864,475	Approximately 252,457,632
Number of Shares on issue after Tranche 2 Shares are issued	4,109,592,298	Approximately 273,972,820

There are no amounts unpaid on any of the Company's Shares.

The effect of the Consolidation on the Company's convertible securities, being Options, is as follows (ignoring the effect of fractional entitlements):

Options	Pre-Consolidation		Post-Consolidation	
Expiry	Exercise Price	Number	Exercise Price	Number
14 January 2015	\$0.015	166,500,000	\$0.225	Approximately 11,100,000
18 October 2015	\$0.015	41,750,000	\$0.225	Approximately 2,783,334
Piggy Back Options*	\$0.015	Up to 166,500,000	\$0.225	Up to approximately 11,100,000

*The Piggy Back Options are attached to the Options that expire on 14 January 2015. For every Option that expires on 14 January 2015 that is exercised, a Piggy Back Option will be issued with the same exercise price and an expiry date of five years from the date the 14 January 2015 Option was exercised. If none of the Options that expire on 14 January 2015 are exercised then no Piggy Back Options will be issued.

Note that the post-Consolidation numbers of Shares and Options set out in the above tables are subject to rounding of fractional entitlements in accordance with section 2.4 below. The precise number of post-Consolidation Shares and Options will depend on the effect of rounding up on each Shareholder's and each Optionholder's individual holdings in accordance with section 2.4 below.

2.4 Fractional entitlements and taxation

Not all shareholders and Optionholders will hold that number of Shares and Options which can be evenly divided by 15. Where a fractional entitlement occurs, the directors will round that fraction up to the nearest whole Share or Option, as the case may be.

It is not considered that any taxation implications will exist for Shareholders or Optionholders arising from the Consolidation. However, Shareholders and Optionholders are advised to seek their own tax advice on the effect of the Consolidation and either the Company nor its directors (nor the Company's advisers) accept any responsibility for the individual taxation implications arising from the Consolidation.

2.5 Holding statements

From the date of the Consolidation, expected to be on 1 July 2014, all holding statements for Shares and all certificates for Options will cease to have any effect, except as evidence of entitlement to a certain number of Shares or Options on a post Consolidation basis. After the Consolidation becomes effective, the Company will arrange for new holding statements for Shares to be issued to Shareholders and new certificates for Options to be issued to Optionholders. It is the responsibility of each Shareholder and Optionholder to check the number of Shares and Options held before disposal or exercise (as the case may be).

2.6 Indicative timetable for Consolidation

If Resolution 2 is passed, the Consolidation will take effect in accordance with the following timetable (as set out in the ASX Listing Rules):

Event	Date
Company announces Consolidation and dispatches Notice of General Meeting	22 May 2014
General Meeting held	27 June 2014
Company announces to ASX that Shareholders have approved the Consolidation	27 June 2014
Last day of trading in pre-Consolidation Shares	30 June 2014
Trading in Consolidated Shares will commence on a deferred settlement basis	1 July 2014
Last day for the Company to register transfers on a pre-Consolidation basis	3 July 2014
First Day for the Company to register securities on a post-Consolidation basis	4 July 2014
First day for the Company to issue holding statement for Shares and Options on a post-Consolidation basis	
Last day to enter Shares and Options into holders security holdings prior to the dispatch of new holding statements	10 July 2014

on a post-Consolidation basis	
Dispatch of new holdings statements for post-Consolidation Shares and Options	
Deferred settlement trading ends	
Normal T+3 trading in post-Consolidation Shares starts on ASX	11 July 2014
Settlement of trades conducted on a deferred settlement basis and first settlement of trades conducted on the normal T+3 basis	16 July 2014

The above dates are indicative only and are subject to change without notice.

3. RESOLUTION 3 – ISSUE OF SHARES – CAPITAL RAISING

3.1 General

Resolution 3 seeks Shareholder approval for the issue of up to 322,727,823 Shares at an issue price of \$0.024 per Share on a pre-Consolidation basis (or 21,515,188 Shares at an issue price of \$0.36 per Share on a post-Consolidation basis), to raise a further \$7,745,468 being Tranche 2 of the Capital Raising.

A summary of ASX Listing Rule 7.1 and the Capital Raising is set out in section 1.1 of this Explanatory Statement.

The effect of Resolution 3 will be to allow the Directors to issue the Tranche 2 Shares as part of the Capital Raising without using the Company's 15% annual placement capacity.

3.2 Effect if Resolution 2 is not passed

If Resolution 2 is not passed, the Consolidation will not occur and the Tranche 2 Shares will be issued on a pre-Consolidation basis. This means that instead of 21,515,188 Shares being issued at an issue price of \$0.36 per Share, 322,727,823 Shares will be issued at an issue price of \$0.024 per Share.

3.3 Technical information required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of Shares pursuant to Resolution 3:

- (a) the number of Shares to be issued is 322,727,823 Shares on a pre-Consolidation basis (or 21,515,188 Shares on a post-Consolidation basis);
- (b) it is expected that the Shares will be issued within 2 weeks after the date of the general meeting, but in any event no later than 3 months after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (c) the issue price per Share will be \$0.024 per Share on a pre-Consolidation basis (or \$0.36 per Share on a post-Consolidation basis);

- (d) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Shares will be issued to the Subscriber;
- (f) it is intended that the funds raised from this issue will be used for the purposes set out in section 1.2(e) of this Explanatory Statement.

4. RESOLUTION 4 - APPROVAL OF AMENDED EMPLOYEE SHARE PLAN FOR CORPORATIONS ACT PURPOSES

4.1 Background

The Company adopted the Company's Employee Share Plan (**Plan**) on 17 November 2005. On 31 July 2006 the Company obtained Shareholder approval to adopt the Plan and to allow the issue of Shares under the Plan as an exception to ASX Listing Rule 7.1 in accordance with ASX Listing Rule 7.2 (Exception 9). On 20 November 2007, the Company obtained Shareholder Approval to amend the Plan. On 27 November 2008 the Shareholder approval to issue Shares under the Plan for the purposes of ASX Listing Rule 7.2 (Exception 9) was renewed. The Plan again received Shareholder approval to be amended on 24 March 2010 and on 30 November 2011. The Board proposes to amend the Plan as set out in section 4.3 below and seeks shareholder approval of the amended Plan for the purposes described in sections 4.4 and 4.5 below.

4.2 Summary of the current terms of the Plan (before amendments described in section 4.3)

(a) Introduction

The Plan is designed to provide full-time and part-time employees, executives and Directors of the Company, and contractors or sub-contractors determined by the Board to be included as an employee (**Eligible Employees**) with an ownership interest in the Company and to provide additional incentives to increase profitability and returns to Shareholders. Shares may be issued under the Plan to either Eligible Employees or their associates (**Participant**). The Plan, through the loan scheme which is a schedule to the Plan, also offers financial support for Eligible Employees to acquire the Shares pursuant to the Plan, at the discretion of the Directors.

(b) Acquisition of Shares

The Directors may invite Eligible Employees to acquire Shares under the Plan at their discretion. The Shares issued under the Plan will be fully paid ordinary shares in the capital of the Company, and will rank equally with other issued Shares. Subject to the restriction on the transfer of Plan Shares outlined below, Plan Shares will be the subject of applications for quotation on ASX as soon as practicable after the Plan Shares are allotted.

(c) Issue Price of Plan Shares

The issue price of each Plan Share will be determined by the Directors at or before the time of the invitation to acquire Shares under the Plan. The issue price of the Plan Shares is payable in full by the Eligible Employee on the date of issue of the Plan Shares.

Where the Shares are issued for cash consideration, the Directors may, at their absolute discretion, determine that the whole or part of the issue price will be advanced by the Company to the Participant, who must apply the advance in payment of the issue price.

(d) Restriction on Transfer of Plan Shares

A Participant must not sell, transfer, assign, mortgage, charge or otherwise encumber a Share issued under the Plan until the later of the following (to the extent applicable):

- (i) the repayment in full of any loan advanced by the Company to the Participant contemporaneously with the issue of Shares under the Plan;
- (i) the expiry of any service continuity period specified by the Company at the time of issue of the Shares; and
- (ii) the satisfaction of any performance criteria specified by the Company at the time of issue of the Shares.

The Directors may impose different time periods and criteria in relation to different persons, and the Directors will have the absolute discretion to determine whether any such time period or criteria has been satisfied in relation to any Share issued under the Plan, or to waive that period or criteria in relation to that Share.

If an Eligible Employee ceases to be an Eligible Employee of the Company during the period of restriction, or the above criteria are not satisfied by the Eligible Employee, the Company may buy-back the Plan Shares at a price equal to:

- (i) where the Shares were issued for no cash consideration - the lesser of \$0.0001 each or the market price of the Shares; or
- (ii) where the Shares were issued for cash consideration, either (at the Company's election):
 - (A) the issue price of the Shares; or
 - (B) the market price of the Shares.

4.3 Proposed amendments to the Plan

As set out in section 4.2 above, the current terms of the Plan only allow the Board to buy-back Shares issued to Participants under the Plan in limited circumstances where either or both:

- (a) the Eligible Employee ceases to be an Eligible Employee during any service continuity period specified when the Shares were issued; or
- (b) any performance criteria specified by the Company when the Shares were issued are not satisfied.

The Directors propose to amend the Plan to give the Company greater flexibility to buy-back Shares from or sell Shares held by Participants. Specifically, the Directors propose to amend the Plan to enable them to buy-back from, or sell shares held by, Participants where:

- (a) the Eligible Employee ceases to be an Eligible Employee after any relevant service continuity period and performance criteria are satisfied but where the Participant still owes the Company an amount under any loan the Company provided to enable the Participant to acquire the Shares; or
- (b) the Participant notifies the Company that they wish to sell some or all of their Plan Shares after any relevant service continuity period and performance criteria are satisfied but where the Participant still owes the Company an amount under any loan the Company provided to enable the Participant to acquire the Shares,

in each case the buy-back price will be the greater of the issue price of the Shares or the market price (as determined in accordance with item (a) below)

The Directors also propose to amend the Plan to:

- (a) clarify that the market price of the Shares (for the purposes of any buy-back of Plan Shares from a Participant) is calculated by reference to the volume weighted average sale price of the Shares on ASX during the five trading days immediately preceding the relevant date;
- (b) enable the Company, where the Company has advanced any loan to the participant contemporaneously with the issue of Shares under the Plan to enable them to acquire the Shares, to, in its discretion, extend the repayment date for that loan;
- (c) provide that where the Company has advanced a loan to the Participant to enable the Participant to acquire the Plan Shares, that the Plan Shares will become the unencumbered property of the Participant if the Participant repays the amount owing on the loan, amongst other things, by seven years (increased from five years) from the date the Plan Shares are issued;
- (d) clarify that under the Plan, Shares may only be issued to full time or part time employees of the Company or its related bodies corporate, and Directors who hold a salaried employment or office in the Company;
- (e) clarify that any amendments to the Plan will apply to Shares issued under the Plan before the date of the amendment unless the Directors determine otherwise;
- (f) clarify that the Directors shall have the same powers to administer the loan scheme as they do the Plan; and
- (g) make various consequential amendments necessary to give effect to the above amendments.

4.4 Share buy-backs under the Plan

Section 257B of the Corporations Act sets out how a company may buy-back its shares. A buy-back is a special procedure under which a company is able to purchase and cancel its own shares. Shareholder approval is generally required to permit a company to buy-back its shares unless an exception applies.

By approving the amended Plan for the purposes of paragraph (b) of the definition of “employee share scheme buy-back” in section 9 of the Corporations Act, shareholders will permit the Company to buy-back certain Shares issued to Eligible Employees under the Plan without further shareholder

approval up to a maximum of 10% of the smallest number of the Company's Shares on issue at any time in the 12 months preceding the buy-back.

4.5 Financial assistance

Under the Corporations Act, the Company and its subsidiaries (**Lender**) are, in general, only permitted to financially assist a person to acquire shares in the Company if giving the assistance does not materially prejudice:

- (a) the interests of the Lender or its shareholders; or
- (b) the Lender's ability to pay its creditors.

However, under section 260C(4) of the Corporations Act, a Lender is permitted to financially assist a person to acquire Shares in the Company under the Plan if approved by the Company's shareholders (and the shareholders of the Lender, if a subsidiary).

The issue of any further Shares under the Plan may involve a Lender financially assisting the Company's Eligible Employees to acquire Plan Shares by virtue of any loan advanced by the Lender to the Eligible Employee. Shareholder approval is therefore being sought so that the amended Plan satisfies the requirements of the exemption under section 260C(4), allowing the Lender (which could be the Company) to financially assist Eligible Employees to acquire Shares under the amended Plan in this way.

5. RESOLUTION 5 – APPROVAL OF SHARES TO BE ISSUED UNDER AMENDED EMPLOYEE SHARE PLAN FOR ASX LISTING RULE PURPOSES

5.1 Background

As set out in section 1.1 of this Explanatory Statement, ASX 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, 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 securities in the same class on issue at the commencement of that 12 month period.

An exception to ASX Listing Rule 7.1 is set out in ASX Listing Rule 7.2 (Exception 9) which provides that issues under an employee incentive scheme are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the scheme as an exception to ASX Listing Rule 7.1. This exception is only available if there has been no material change to the terms of the Plan.

The background to previous approvals of the Plan and issues under it is given in section 4.1 of this Explanatory Statement.

The Board proposes to amend the Plan as set out in section 4.3 of this Explanatory Statement. The Company therefore seeks Shareholder approval for the purpose of ASX Listing Rule 7.2 (Exception 9) for the issue of Shares under the amended Plan.

5.2 Information required by ASX Listing Rule 7.2 (Exception 9)

Since 30 November 2011 (being the date on the Plan was last approved by Shareholders), the Company has issued no Shares under the Plan.

The full terms and conditions of the Plan may be obtained free of charge by contacting the Company. A summary of the terms and conditions of the Plan (including the proposed amendments) is set out in sections 4.2 and 4.3 of this Explanatory Statement.

GLOSSARY

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

ASX means ASX Limited.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Company means ABM Resources NL (ACN 009 127 020).

Consolidation means the proposed consolidation of the number of Shares and Options on issue on a one for fifteen basis.

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

Notice or **Notice of Meeting** or **Notice of General Meeting** means this notice of General meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Proxy Form means the proxy form accompanying the Notice.

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

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

Shareholder means a holder of a Share.

Subscriber means Pacific Road Capital Management Pty Ltd (ACN 117 934 586) as trustee for the Pacific Road Fund II Managed Investment Trust.

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

Certificate of Appointment of Corporate Representative

Shareholder Details

This is to certify that by a resolution of the Directors of:

..... (Company),
Insert name of shareholder company

The Company has appointed:

.....
Insert name of corporate representative

in accordance with the provisions of section 250D of the Corporations Act 2001, to act as the body corporate representative of that company at the meeting of the members of ABM Resources NL to be held on 27 June 2014 and at any adjournments of that meeting/all meetings of the members of ABM Resources NL.

DATED 2014

Please sign here

Executed by the Company)
in accordance with its constituent)
documents)

.....
Director

.....
Director/Secretary

.....
Name of authorised representative (print)

.....
Position of authorised representative (print)

.....
Signature of authorised representative

Instructions for Completion

1. Insert name of appointor company and the name or position of the appointee (e.g. "John Smith" or "each director of the company").
2. Execute the Certificate following the procedure required by your Constitution or other constituent documents.
3. Print the name and position (e.g. director) of each company officer who signs this Certificate on behalf of the company.
4. Insert the date of execution where indicated.
5. Send or deliver the Certificate to ABM Resources NL's registered office at Level 1, 141 Broadway Nedlands WA 6009 or fax the Certificate to the registered office at 08 9423 9733 or email to admin@abmresources.com.au; or
6. Produce to the Company Secretary or a Director prior to admission at the General Meeting.

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.

REGISTERED OFFICE:
LEVEL 1
141 BROADWAY
NEDLANDS WA 6009

ABM RESOURCES NL

ACN: 009 127 020

SHARE REGISTRY:
Security Transfer Registrars Pty Ltd
All Correspondence to:
PO BOX 535,
APPLECROSS WA 6953 AUSTRALIA
770 Canning Highway,
APPLECROSS WA 6153 AUSTRALIA
T: +61 8 9315 2333 F: +61 8 9315 2233
E: registrar@securitytransfer.com.au
W: www.securitytransfer.com.au

Code: ABU

Holder Number:

SECTION A: Appointment of Proxy

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

☐

OR

The meeting Chairperson
(mark with an "X")

The name of the person you are appointing

(if this person is someone other than the Chairperson of the meeting).

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 General Meeting of the Company to be held at 1:00pm WST on Friday 27 June 2014 at BDO Audit (WA) Pty Ltd, 38 Station Street, Subiaco and at any adjournment of that meeting.

SECTION B: Voting Directions to your Proxy

Please mark "X" in the box to indicate your voting directions to your Proxy.

Resolution

For Against Abstain*

1. Ratification of Prior Issue - Placement Shares

☐

2. Consolidation of Capital

☐

3. Issue of Shares - Capital Raising

☐

4. Approval of Amended Employee Share Plan for Corporations Act Purposes

☐

5. Approval of shares to be issued under Amended Employee Share Plan for ASX Listing Rule Purposes

☐

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.

☐

If you wish to appoint the Chairperson as your proxy and you do not wish to direct the Chairperson how to vote, please mark "X" in the box.

By marking this box, you acknowledge that the Chairperson may exercise your proxy even if he has an interest in the outcome of resolution 5 and votes cast by him/her other than as a proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on resolution 5 and your votes will not be counted in calculating the required majority if a poll is called on resolution 5. The Chairperson of the Meeting intends to vote undirected proxies in favour of resolution 5.

SECTION C: Please Sign Below

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 and Sole Company Secretary

Director

Director / Company Secretary

Proxies must be received by Security Transfer Registrars Pty Ltd no later than 1:00pm WST on Wednesday 25 June 2014.

ONLINE PROXY SERVICE

You can lodge your proxy online at www.securitytransfer.com.au

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

Online Proxy ID:

NAME _____

[illegible]

TELEPHONE NUMBER

()

1. Name and Address

2. Appointment of a Proxy

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 ABM RESOURCES NL.

3. Directing your Proxy how to vote

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.

4. Appointment of a Second Proxy

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 telephoning the Company's share registry +61 8 9315 2333 or you may photocopy this form.

To appoint a second Proxy you must:

- (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.

5. Signing Instructions

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

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

Power of Attorney: to sign under Power of Attorney you must have already lodged this document with the Company's share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

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.

6. Lodgement of Proxy

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Registrars Pty Ltd no later than 1:00pm WST on Wednesday 25 June 2014, being 48 hours before the time for holding the meeting. Any Proxy form received after that time will not be valid for the scheduled meeting.

Security Transfer Registrars Pty Ltd
PO BOX 535
Applecross, Western Australia 6953

Street Address:
Alexandrea House, Suite 1
770 Canning Highway
Applecross, Western Australia 6153

Telephone **+61 8 9315 2333**

Facsimile +61 8 9315 2233

Email registrar@securitytransfer.com.au

Online www.securitytransfer.com.au

PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Registrars Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of securityholders, 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 Registrars Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.