

Syndicated Metals Limited

ABN 61 115 768 986

Notice of Annual General Meeting

Notice is hereby given that the 2017 Annual General Meeting of Syndicated Metals Limited ABN 61 115 768 986 (**Company**) will be held at 10am (Perth time) on Wednesday 11 October 2017 at The Park Business Centre, 45 Ventnor Avenue, West Perth, Western Australia.

The enclosed Explanatory Memorandum accompanies and forms part of this Notice of Meeting.

A Proxy Form is enclosed. If you are unable to attend the Annual General Meeting please complete and return the enclosed Proxy Form in accordance with the specified directions.

Please note terms used in this Notice of Meeting have the same meaning as set out in the Glossary of the Explanatory Memorandum accompanying this Notice of Meeting.

AGENDA

Financial Reports

To receive and consider the financial statements of the Company for the year ended 30 June 2017, together with the Directors Report and the Auditor's Report as set out in the Annual Report.

1. Resolution 1 – Non-binding resolution to adopt Remuneration Report

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

“That the Remuneration Report as set out in the Annual Report for the year ended 30 June 2017 be adopted.”

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company. Shareholders are encouraged to read the Explanatory Memorandum for further details on the consequences of voting on this Resolution.

Voting exclusion statement: The Company will disregard any votes cast on Resolution 1 by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed Resolution or the proxy is the Chair of the Meeting and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the Resolution and expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel; and
- (b) it is not cast on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 1 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 1; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 1. In exceptional circumstances, the Chair of the Meeting may change his or her voting intention on Resolution 1, in which case an ASX announcement will be made. Shareholders may also choose to direct the Chair to vote against Resolution 1 or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

2. Resolution 2 – Re-election of Director – Robert Cooper

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

“That Mr Robert Cooper, who retires in accordance with clause 13.2 of the Constitution and, being eligible for re-election, be re-elected as a Director.”

3. Resolution 3 – Additional 10% Placement Capacity

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

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

Voting exclusion statement: The Company will disregard any votes cast on Resolution 3 by any person who may participate in the proposed issue and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if the Resolution is passed, and any Associate of those persons. However, the Company need not disregard a vote if the vote is cast by:

- (a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person chairing the Meeting as 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 for issue of Incentive Options to Peter Langworthy

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

“That, for the purposes of Listing Rule 10.11 and section 208 of the Corporations Act and for all other purposes, the Directors are authorised to issue 3,000,000 Incentive Options for no consideration, to Mr Peter Langworthy (or his nominee) on the terms and conditions specified in the Explanatory Memorandum.”

Voting exclusion statement: *The Company will disregard any votes cast on Resolution 4 by Mr Peter Langworthy and any Associate of Mr Peter Langworthy. However, the Company need not disregard a vote if it is cast by:*

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

Further, pursuant to section 224 of the Corporations Act, the Company will also disregard any votes cast on Resolution 4 (in any capacity) by or on behalf a related party of the Company to whom the resolution would permit a financial benefit to be given or an Associate of such a related party. However, the Company need not disregard a vote if it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on Resolution 4 and it is not cast on behalf of a related party of the Company to whom the resolution would permit a financial benefit to be given or an Associate of such a related party.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 4 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 4 or*
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 4. In exceptional circumstances, the Chair of the Meeting may change his voting intention on Resolution 4, in which case an ASX announcement will be made.*

Shareholders may also choose to direct the Chair to vote against Resolution 4 or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Please note: If the Chair is a person referred to in the section 224 Corporations Act voting exclusion statement above, the Chair will only be able to cast a vote as proxy for a person who is entitled to vote if the Chair is appointed as proxy in writing and the Proxy Form specifies how the proxy is to vote on Resolution 4.

5. Resolution 5 – Approval for issue of Incentive Options to Andrew Munckton

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

“That, for the purposes of Listing Rule 10.11 and section 208 of the Corporations Act and for all other purposes, the Directors are authorised to issue 7,000,000 Incentive Options for no consideration, to Mr Andrew Munckton (or his nominee) on the terms and conditions specified in the Explanatory Memorandum.”

Voting exclusion statement: The Company will disregard any votes cast on Resolution 5 by Mr Andrew Munckton and any Associate of Mr Andrew Munckton. However, the Company need not disregard a vote if it is cast by:

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

Further, pursuant to section 224 of the Corporations Act, the Company will also disregard any votes cast on Resolution 5 (in any capacity) by or on behalf a related party of the Company to whom the resolution would permit a financial benefit to be given or an Associate of such a related party. However, the Company need not disregard a vote if it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on Resolution 5 and it is not cast on behalf of a related party of the Company to whom the resolution would permit a financial benefit to be given or an Associate of such a related party.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 5 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 5 or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 5. In exceptional circumstances, the Chair of the Meeting may change his voting intention on Resolution 5, in which case an ASX announcement will be made.

Shareholders may also choose to direct the Chair to vote against Resolution 5 or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Please note: If the Chair is a person referred to in the section 224 Corporations Act voting exclusion statement above, the Chair will only be able to cast a vote as proxy for a person who is entitled to vote if the Chair is appointed as proxy in writing and the Proxy Form specifies how the proxy is to vote on Resolution 5.

6. Resolution 6 – Approval for issue of Incentive Options to David Morgan

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

“That, for the purposes of Listing Rule 10.11 and section 208 of the Corporations Act and for all other purposes, the Directors are authorised to issue 2,000,000 Incentive Options for no consideration, to Mr David Morgan (or his nominee) on the terms and conditions specified in the Explanatory Memorandum.”

Voting exclusion statement: The Company will disregard any votes cast on Resolution 6 by Mr David Morgan and any Associate of Mr David Morgan. However, the Company need not disregard a vote if it is cast by:

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

Further, pursuant to section 224 of the Corporations Act, the Company will also disregard any votes cast on Resolution 6 (in any capacity) by or on behalf a related party of the Company to whom the resolution would permit a financial benefit to be given or an Associate of such a related party. However, the Company need not disregard a vote if it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on Resolution 6 and it is not cast on behalf of a related party of the Company to whom the resolution would permit a financial benefit to be given or an Associate of such a related party.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 6 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 6 or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 6. In exceptional circumstances, the Chair of the Meeting may change his voting intention on Resolution 6, in which case an ASX announcement will be made.

Shareholders may also choose to direct the Chair to vote against Resolution 6 or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Please note: If the Chair is a person referred to in the section 224 Corporations Act voting exclusion statement above, the Chair will only be able to cast a vote as proxy for a person who is entitled to vote if the Chair is appointed as proxy in writing and the Proxy Form specifies how the proxy is to vote on Resolution 6.

7. Resolution 7 – Approval for issue of Incentive Options to Robert Cooper

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

“That, subject to Resolution 2 being passed, and for the purposes of Listing Rule 10.11 and section 208 of the Corporations Act and for all other purposes, the Directors are authorised to issue 2,000,000 Incentive Options for no consideration, to Mr Robert Cooper (or his nominee) on the terms and conditions specified in the Explanatory Memorandum.”

Voting exclusion statement: The Company will disregard any votes cast on Resolution 7 by Mr Robert Cooper and any Associate of Mr Robert Cooper. However, the Company need not disregard a vote if it is cast by:

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

Further, pursuant to section 224 of the Corporations Act, the Company will also disregard any votes cast on Resolution 7 (in any capacity) by or on behalf a related party of the Company to whom the resolution would permit a financial benefit to be given or an Associate of such a related party. However, the Company need not disregard a vote if it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on Resolution 7 and it is not cast on behalf of a related party of the Company to whom the resolution would permit a financial benefit to be given or an Associate of such a related party.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 7 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 7 or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 7. In exceptional circumstances, the Chair of the Meeting may change his voting intention on Resolution 7, in which case an ASX announcement will be made.

Shareholders may also choose to direct the Chair to vote against Resolution 7 or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Please note: If the Chair is a person referred to in the section 224 Corporations Act voting exclusion statement above, the Chair will only be able to cast a vote as proxy for a person who is entitled to vote if the Chair is appointed as proxy in writing and the Proxy Form specifies how the proxy is to vote on Resolution 7.

8. Resolution 8 – Approval of issue of securities under Employee Equity Incentive Plan

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

“That, pursuant to and in accordance with Listing Rule 7.2, Exception 9 and for all other purposes, Shareholders approve any issue of securities under the Employee Equity Incentive Plan for Eligible Employees known as “Syndicated Metals Employee Equity Incentive Plan 2017”, a summary of the rules of which are set out in Schedule B to the Explanatory Memorandum, as an exception to Listing Rule 7.1.”

Voting exclusion statement: *The Company will disregard any votes cast on Resolution 8 by a director of the Company and any person who is an Associate of those persons (except one who is ineligible to participate in any employee incentive scheme of the Company). 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 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.*

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 8 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 8 or*
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 8. In exceptional circumstances, the Chair of the Meeting may change his voting intention on Resolution 8, in which case an ASX announcement will be made.*

Shareholders may also choose to direct the Chair to vote against Resolution 8 or to abstain from voting.

OTHER BUSINESS

To deal with any other business which may be brought forward in accordance with the Constitution and Corporations Act.

By Order of the Board

Paul Bridson
Company Secretary
6 September 2017

NOTES

These notes form part of the Notice of Meeting and should be read in conjunction with the accompanying Explanatory Memorandum. Capitalised words and phrases used in this Notice of Meeting are defined in the Glossary contained in the accompanying Explanatory Memorandum.

How to vote

Shareholders can vote by either:

- attending the Meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the proxy form accompanying this Notice of Meeting and by submitting their proxy appointment and voting instructions in person, by post or by facsimile.

Voting in person (or by attorney)

Shareholders, or their attorneys, who plan to attend the Meeting are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that their holding may be checked against the Company's share register and attendance recorded. A properly executed original (or certified copy) of the power of attorney under which an attorney has been authorised to attend and vote at the Meeting must be lodged with the Company's share registry before 10am (Perth time) on Monday 9 October 2017 (48 hours before the commencement of the Meeting). If facsimile transmission is used, the power of attorney must be certified.

Voting by a Corporation

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed unless previously given to the Company's share registry.

Voting by proxy

- A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the Meeting.
- The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (ie. where there are two proxies, each proxy may exercise half of the votes).
- A proxy need not be a Shareholder.
- The proxy can be either an individual or a body corporate.

- If a proxy is not directed how to vote on an item of business, the proxy may vote, or abstain from voting, as they think fit. However, where a Restricted Voter is appointed as a proxy, the proxy may only vote on Resolutions 1, 4, 5, 6, 7 and 8 in accordance with a direction on how the proxy is to vote or, if the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
- Should any resolution, other than those specified in this Notice, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.
- If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
- Shareholders who return their Proxy Forms with a direction how to vote but do not nominate the identity of their proxy will be taken to have appointed the Chairman of the Meeting as their proxy to vote on their behalf. If a Proxy Form is returned but the nominated proxy does not attend the Meeting, the Chairman of the Meeting will act in the place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chairman of the Meeting, the secretary or any Director, that do not contain a direction how to vote will be used where possible to support each of the Resolutions proposed in this Notice, provided they are entitled to cast votes as proxy under the voting exclusion rules which apply to some of the proposed Resolutions. However, in exceptional circumstances, the Chair of the Meeting may change his or her voting intention, in which case an ASX announcement will be made. These rules are explained in this Notice.
- To be effective, proxies must be received by 10am (Perth time) on Monday 9 October 2017. Proxies received after this time will be invalid.
- Proxies may be lodged using any of the following methods:

Electronically:

Submit proxy voting instructions online at www.investorvote.com.au

Please refer to the enclosed Proxy Form for more information about submitting proxy voting instructions online.

By Post:

Computershare Investor Services Pty Limited
GPO Box 242,
Melbourne, Victoria 3001,
Australia

By Fax:

(within Australia) 1800 783 447

(outside Australia) +61 3 9473 2555

For intermediary online subscribers only (custodians) at www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 763 574

(outside Australia) +61 3 9415 4862

The Proxy Form must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the power of attorney, or the power itself, must be received at the above address, or by facsimile, and by 10am (Perth time) on Monday 9 October 2017. If facsimile transmission is used, the power of attorney must be certified.

Shareholders who are entitled to vote

In accordance with regulations 7.11.37 and 7.11.38 of the *Corporations Regulations 2001* (Cth), the Board has determined that a person's entitlement to vote at the Meeting will be the entitlement of that person set out in the Company's register of Shareholders as at 4pm (Perth time) Monday 9 October 2017.

SYNDICATED METALS LIMITED

ABN 61 115 768 986

EXPLANATORY MEMORANDUM

INTRODUCTION

This Explanatory Memorandum has been prepared for the information of the Shareholders of Syndicated Metals Limited (**Company**), in connection with the business to be conducted at the Annual General Meeting of the Company to be held on Wednesday 11 October 2017 at 10am (Perth time) at The Park Business Centre, 45 Ventnor Avenue, West Perth, Western Australia 6008.

Certain abbreviations and other defined terms are used throughout this Explanatory Memorandum. Defined terms are generally identifiable by the use of an upper case first letter. Shareholders are specifically referred to the Glossary in this Explanatory Memorandum which contains definitions of capitalised terms used in the Notice of Meeting and this Explanatory Memorandum.

1. FINANCIAL REPORTS

The first item of the Notice deals with the presentation of the consolidated annual financial report of the Company for the financial year ended 30 June 2017 together with the Directors' declaration and report in relation to that financial year and the Auditor's Report on those financial statements. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

No Resolution is required to be moved in respect of this item.

Shareholders will be given a reasonable opportunity at the Meeting to ask questions and make comments on the accounts and on the business, operations and management of the Company.

The Chairman will also provide Shareholders a reasonable opportunity to ask the Auditor or the Auditor's representative questions relevant to:

- the conduct of the audit;
- the preparation and content of the independent audit report;
- the accounting policies adopted by the Company in relation to the preparation of the accounts; and
- the independence of the Auditor in relation to the conduct of the audit.

The Chairman will also allow a reasonable opportunity for the Auditor or their representative to answer any written questions submitted to the Auditor under section 250PA of the Corporations Act.

2. RESOLUTION 1 – NON-BINDING RESOLUTION TO ADOPT REMUNERATION REPORT

In accordance with section 250R(2) of the Corporations Act the Company is required to put to its Shareholders a resolution that the Remuneration Report as disclosed in the Company's 2017 Annual Report be adopted. The Remuneration Report is set out in the Company's 2017 Annual Report and is also available on the Company's website (www.syndicatedmetals.com.au).

The vote on this Resolution is advisory only and does not bind the Directors or the Company.

However, if at least 25% of the votes cast are against adoption of the Remuneration Report at two consecutive annual general meetings, the Company will be required to put a resolution to the second annual general meeting (**Spill Resolution**), to approve calling a general meeting (**Spill Meeting**). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must then convene a Spill Meeting. If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must then convene a Spill Meeting within 90 days of the second annual general meeting. All of the Directors who were in office when the applicable Directors' Report was approved, other than the Managing Director, will need to stand for re-election at the Spill Meeting if they wish to continue as Directors.

The Remuneration Report for the year ended 30 June 2016 did not receive a vote of more than 25% against its adoption at the Company's last annual general meeting held on 27 October 2016. Accordingly, if at least 25% of the votes cast on Resolution 1 are against adoption of the Remuneration Report, it will not result in the Company putting a Spill Resolution to Shareholders.

The Remuneration Report explains the Board policies in relation to the nature and level of remuneration paid to Directors, sets out remuneration details for each Director and sets out the details of any equity based compensation.

The Chair of the Meeting will give Shareholders a reasonable opportunity to ask questions about, or make comments on the Remuneration Report.

Voting

Note that a voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. In particular, the Directors and other Restricted Voters may not vote on this Resolution and may not cast a vote as proxy, unless the appointment gives a direction on how to vote or the proxy is given to the Chair and expressly authorises the Chair to exercise your proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. The Chair will use any such proxies to vote in favour of the Resolution. In exceptional circumstances, the Chair of the Meeting may change his or her voting intention on Resolution 1, in which case an ASX announcement will be made.

Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on this Resolution.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – ROBERT COOPER

Clause 13.2 of the Constitution provides that at each annual general meeting of the Company, 1/3 of the Directors (other than alternate Directors and the Managing Director) for the time being, or, if their number is not a multiple of 3, then such number as is appropriate to ensure that no Director other than alternate Directors and the Managing Director holds office for more than 3 years, shall retire from office. The Directors to retire are those who have been in office the longest since their last election, but, as between Directors who become Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots. A retiring Director is eligible for re-election.

Messrs Cooper and Morgan were last elected as non-executive Directors at the Company's 2015 annual general meeting held on 26 November 2015, and are the Directors who have been in office the longest since their last elections. Pursuant to clause 13.2 of the Constitution, Robert Cooper, being a Director, has agreed to retire by rotation and, being eligible, offers himself for re-election as a Director.

Mr Cooper was appointed as a non-executive Director of the Company in May 2015. He is a mining engineer with more than 25 years' industry experience, having held leadership roles across a diverse range of metalliferous commodities, both in Australia and overseas. He has a broad foundation of operating and technical experience in both underground and open pit operations. His career has been defined by a very strong health and safety improvement focus, combined with a track record in delivering successful volume and cost outcomes through improvements in operational efficiency. He has previously held leadership positions with BHP Billiton as General Manager of Leinster Nickel Operations within Nickel West, Project Manager of a BHP Billiton-wide organisation design project, and as Asset President of Ekati Diamonds in Canada. He more recently held positions with Discovery Metals as General Manager - Operations in Botswana and as General Manager - Development in their Brisbane office.

Mr Cooper is currently the CEO of CopperChem Limited and Exco Resources Limited, both of which are 100% owned subsidiaries of the Washington H Soul Pattinson Group of companies. CopperChem holds 28.77% of the Company's shares. As a result of this relationship, Mr Cooper is considered to be a non-independent Director.

Mr Cooper was appointed as a Non-Executive Director of ASX-listed Verdant Minerals Limited (formerly Rum Jungle Resources Limited) in July 2016, and as a Non-Executive Director of Novonix Limited (formerly Graphitecorp Limited) in October 2016.

The members of the Board (other than Mr Cooper) support the re-election of Mr Cooper as a director of the Company.

4. RESOLUTION 3 – ADDITIONAL 10% PLACEMENT CAPACITY

Background

Listing Rule 7.1A enables eligible entities to seek shareholder approval at an annual general meeting to issue Equity Securities of up to 10% of their issued share capital over a 12 month period after the annual general meeting at which a resolution for the purposes of Listing Rule 7.1A is passed by special resolution (**10% Placement Capacity**). The 10% Placement Capacity is in addition to a company's 15% placement capacity under Listing Rule 7.1. A resolution seeking approval for the 10% Placement Capacity must be a **special resolution** of shareholders passed by at least 75% of the votes cast by shareholders entitled to vote.

To be eligible for the 10% Placement Capacity, a company must, at the time of their annual general meeting:

- have a market capitalisation of \$300 million or less; and
- not be included in the S&P/ASX 300 Index.

The Company has a market capitalisation of \$9.51m as at 6 September 2017 (the day before the Notice of Meeting was sent to print) and is an eligible entity for the purposes of Listing Rule 7.1A. Resolution 3 seeks a special resolution of Shareholders to approve the issue of Equity Securities under the 10% Placement Capacity over the 12 months following the Annual General Meeting. The approval of the 10% Placement Capacity provides greater flexibility for the Board to conduct capital raisings through placements in the 12 month period following the Meeting.

Capital markets continue to be in a state of fluctuation and the Directors acknowledge that they may need to act quickly to raise funds when favourable markets emerge. The Company's failure to raise capital, if and when needed, could delay or suspend the Company's business strategy and could have a materially adverse effect on the Company's activities.

It is anticipated that funds raised from the 10% Placement Capacity would be applied towards exploration and evaluation of the Company's Monument Gold Project located in the Laverton region of WA, asset maintenance activities associated with the Company's Queensland copper-gold projects to ensure that the tenement holding is kept in good standing, general working capital and administrative expenses.

Listing Rule 7.1A

The effect of Resolution 3 will be to permit the Company to issue the Equity Securities under Listing Rule 7.1A during the Additional Placement Period (as defined below) without using the Company's 15% placement capacity under Listing Rule 7.1.

Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing quoted class of Equity Securities of the Company. As at the date of this Notice, the Company has quoted Shares and unlisted Options and Performance Rights on issue.

Based on the number of Shares on issue 12 months before the date of this Notice, the Company may, subject to Shareholder approval being obtained under Resolution 3, issue up to 63,448,414 Equity Securities in accordance with Listing Rule 7.1A.

The capacity to issue Equity Securities under the 10% Placement Capacity is in addition to the Company's capacity to issue Equity Securities under Listing Rule 7.1. The number of Equity Securities which the Company may issue or agree to issue under the 10% Placement Capacity is calculated in accordance with the formula set out in Listing Rule 7.1A.2 which is set out below:

$(A \times D) - E$

where,

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

- plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- plus the number of partly paid shares that became fully paid in the 12 months;
- plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- less the number of fully paid shares cancelled in the 12 months,

("Variable A").

D is 10%

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

Shareholders should note that the calculation of the number of Equity Securities permitted to be issued under the 10% Placement Capacity is a moving calculation and will be based on the formula set out in Listing Rule 7.1A.2 at the time of issue of the Equity Securities. Shareholders will be kept fully informed of any issue of Equity Securities under the 10% Placement Capacity as the Company will disclose to the market at the time of issue the specific information required by Listing Rule 3.10.5A (such as details of dilution of existing Shareholders) in addition to information required by Listing Rule 7.1A.4, Appendix 3B and any other applicable Listing Rules. The table further below demonstrates various examples as to the number of Equity Securities that may be issued under the 10% Placement Capacity.

For the reasons set out above, the Directors of the Company unanimously recommend that Shareholders vote to approve Resolution 3.

Additional information

The following information in relation to the 10% Placement Capacity is provided to Shareholders for the purposes of Listing Rule 7.3A:

- (a) The Equity Securities will be issued at a price not less than 75% of the VWAP of the relevant Equity Securities on the ASX on the 15 Trading Days on which trades in the class were recorded immediately before:
 - i. the date on which the price at which the Equity Securities are to be issued is agreed; or

- ii. the issue date if the Equity Securities are not issued within 5 Trading Days of the date on which the issue price is agreed.
- (b) If Resolution 3 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Capacity, Shareholders who do not participate (either because they are not invited to participate or because they elect not to participate) in any such placement of Equity Securities will have their economic and voting interests in the Company diluted. This means that each Share will represent a lower proportion of the ownership and voting power in the Company. In addition, Shareholders should note that there is a risk that:
- i. the market price for Equity Securities may be significantly lower on the issue date of the Equity Securities under the 10% Placement Capacity than on the date of the Meeting;
 - ii. the Equity Securities issued under the 10% Placement Capacity may be issued at a price that is at a discount to the market price for those Equity Securities on the issue date; and
 - iii. the Equity Securities issued under the 10% Placement Capacity may be issued for non-cash consideration, which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the dilution of existing Shareholders from the issue of the maximum number of Shares under the 10% Placement Capacity using different variables for the number of ordinary securities for Variable A and the market price of Shares. The table shows:

- (i) examples of where Variable A is 634,484,141 Shares (which is the value of Variable A as at the date of this Notice), and where Variable A has increased by 50% and 100%;
- (ii) examples of where the issue price of Shares is the current market price as at close of trade on 6 September 2017, being \$0.015 (**current market price**) and where the issue price is halved and where it is doubled; and
- (iii) the dilutionary effect will always be 10% if the maximum number of Equity Securities that may be issued under the 10% Placement Capacity are issued.

| Variable A | Number of Shares issued and funds raised under the 10% Placement Capacity and dilution effect | Dilution | | |
|--|---|--|--|--|
| | | \$0.0075 Issue Price at half the current market price | \$0.015 Issue Price at current market price | \$0.03 Issue Price at double the current market price |
| Current Variable A 634,484,141 Shares | Shares issued | 63,448,414 | 63,448,414 | 63,448,414 |
| | Funds raised | \$475,863 | \$951,726 | \$1,903,452 |
| | Dilution effect | 10% | 10% | 10% |
| 50% increase in current Variable A 951,726,211 Shares | Shares issued | 95,172,621 | 95,172,621 | 95,172,621 |
| | Funds raised | \$713,794 | \$1,427,589 | \$2,855,178 |
| | Dilution effect | 10% | 10% | 10% |
| 100% increase in current Variable A 1,268,968,282 Shares | Shares issued | 126,896,828 | 126,896,828 | 126,896,828 |
| | Funds raised | \$951,726 | \$1,903,452 | \$3,806,904 |
| | Dilution effect | 10% | 10% | 10% |

Note this table assumes:

- (i) *No other Shares are issued before the date of the issue of the Equity Securities (including any Shares which may be issued under Resolution 3). If further Shares are issued and Shareholders do not participate in the issue, their ownership and voting power in the Company will be further diluted;*
 - (ii) *No Options or Performance Rights are exercised before the date of the issue of the Equity Securities;*
 - (iii) *The 10% voting dilution reflects the aggregate percentage dilution against the issued Share capital at the time of issue. This is why the voting dilution is shown in each example as 10%;*
 - (iv) *The issue of Equity Securities under the 10% Placement Capacity consists only of Shares; and*
 - (v) *The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.*
- (c) Approval of the 10% Placement Capacity will be valid during the period (**Additional Placement Period**) from the date of the Meeting and will expire on the earlier of:
- (i) the date that is 12 months after the date of the Meeting; and
 - (ii) the date of the approval of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking);
- (d) The Company may issue Equity Securities under the 10% Placement Capacity for cash consideration or non-cash consideration (such as assets or investments). If the Company issues Equity Securities for cash consideration, the Company intends to use funds raised for exploration and evaluation of works associated with the Company's Monument Gold Project located in the Laverton region of WA, asset maintenance activities associated with the Company's Queensland copper-gold projects to ensure that the tenement holding is kept in good standing, general working capital and administrative expenses. If the Company issues Equity Securities for non-cash consideration, it will comply with the minimum issue price limitation under Listing Rule 7.1A.3 in relation to such issue and will release to the market a valuation of the non-cash consideration prepared by an independent expert, or by the Directors if they determine that they have appropriate expertise to carry out such a valuation. The Company will comply with the disclosure obligations under Listing Rules 7.1A.3 and 3.10.A upon issue of any Equity Securities.
- (e) The identity of the persons to whom Shares will be issued is not yet known and will be determined on a case-by-case basis. As at the date of this Notice, no decision has been made by the Directors in respect of determining the identity of the persons to whom Shares will be issued under the 10% Placement Capacity, save that they will not include related parties (or their Associates) of the Company.

The Company's allocation policy will be significantly influenced by the market conditions at the time of any proposed issue of Equity Securities as well as the Company's situation. The Directors may have regard to factors including but not limited to the following:

- i. what methods of raising funds are available to the Company, including other capital-raising alternatives;
- ii. the financial situation and solvency of the Company, including the reasons for raising the funds;
- iii. the effect on control or the acquisition of a substantial interest;
- iv. market factors leading up to the issue and those reasonably likely to occur during the issue;
- v. advice from financial advisers;
- vi. the structure of the issue including the size, price, discount to market and timing; and

- vii. the Shareholder register, including the spread and the representation of institutional, sophisticated and retail investors, as well as other considerations such as the geographical representation of Shareholders.
- (f) The Company previously obtained Shareholder approval under Listing Rule 7.1A on 27 October 2016 at its 2016 annual general meeting. In the 12 months preceding the date of the Meeting, the Company has issued 46,311,568 Equity Securities, which represents 7.03% of the total number of Equity Securities on issue at the commencement of that 12 month period. Set out in Schedule A is information in relation to each issue of Equity Securities in the 12 months preceding the date of the Meeting.
- (g) A voting exclusion applies to Resolution 3 in accordance with the statement set out in the Notice of Meeting. The Company has not approached, and has not yet determined to approach, any particular existing security holders or an identifiable class of existing security holders to participate in an offer under the 10% Placement Capacity, and therefore no Shareholder will be excluded from voting on Resolution 3.

5. RESOLUTIONS 4, 5, 6 and 7 – APPROVE ISSUE OF INCENTIVE OPTIONS TO RELATED PARTIES

5.1 Background

Resolutions 4, 5, 6 and 7 seek Shareholder approval in accordance with Listing Rule 10.11 for the issue of Options to the Directors (“**Incentive Options**”).

The Incentive Options are being issued to one executive Director (Mr Munckton) and three non-executive Directors (Messrs Langworthy, Morgan and Cooper).

Details of the exercise price, vesting and expiry dates of the Incentive Options are as follows:

| Tranche | Number of Incentive Options | Exercise Price | Vesting Date | Expiry Date |
|--------------|-----------------------------|----------------|---------------------------------|----------------------------|
| 1 | 4,666,665 | Note (i) | Vest on issue date | 48 months after issue date |
| 2 | 4,666,667 | Note (i) | Vest 6 months after issue date | 48 months after issue date |
| 3 | 4,666,668 | Note (i) | Vest 12 months after issue date | 48 months after issue date |
| Total | 14,000,000 | | | |

Note (i): The exercise price of the Incentive Options will be equal to 45% (Tranche 1), 50% (Tranche 2) and 100% (Tranche 3) premiums to the VWAP of Shares on ASX for the 10 Trading Days prior to the Annual General Meeting.

Each Incentive Option will, on exercise, confer the right to acquire one Share in the Company. The Incentive Options are exercisable at any time after they vest and on or prior to their expiry date. The Incentive Options will be issued no later than 1 month after the date of the Meeting and it is anticipated that allotment will occur on one date. The Incentive Options will otherwise be issued on the terms and conditions set out in Section 5.4 below.

The primary purpose of the issue of the Incentive Options is to allow the Company to provide a cost effective incentive for the ongoing dedication and efforts of the Directors.

With regard to the issue of Incentive Options to non-executive Directors, the Board considers the issue of Incentive Options to be reasonable in the circumstances, to assist the Company in retaining the highest calibre of suitably qualified non-executive Directors for the Company, whilst maintaining the Company's cash reserves.

The Company's rationale for issuing Incentive Options to its sole executive Director, Mr Andrew Munckton, is to incentivise him at a time when real cash remuneration levels have been declining whilst concurrently his Director obligations and commitments have increased as the Company moves into a significant exploration campaign on its gold project and continues to pursue joint venture and divestment alternatives as a means of realising value for its Queensland copper-gold assets.

The non-executive Directors believe that the grant of Incentive Options will encourage Mr Munckton to have a strong involvement in the achievement of the Company's objectives and to provide an incentive to strive to that end by participating in the future growth and prosperity of the Company through Share ownership. Under the Company's current circumstances it is considered that the incentives represented by the grant of the Incentive Options are a cost effective and efficient means for the Company to provide a reward and an incentive, as opposed to alternative forms of incentive, such as the payment of additional cash compensation.

The Company's executive team is not large and Mr Munckton is being asked to undertake significant work commitments to establish the Company's recently acquired WA based gold project in the market. It is considered that it would be a hindrance to undertake the Company's plans and maintain existing strong key stakeholder relationships should Mr Munckton leave the Company.

It is believed that the proposed Option issue to Mr Munckton will assist to motivate Mr Munckton above what might be considered normal effort, and reward success where the Company has delivered increased Shareholder returns over a sustained period.

5.2 Technical information required by Listing Rules 10.11 and 10.13

Listing Rule 10.11 requires Shareholder approval by ordinary resolution for any issue of securities by a listed company to a related party. Accordingly, Listing Rule 10.11 requires Shareholders to approve the issue of Incentive Options to the Directors.

The following information is provided to Shareholders in relation to Resolutions 4, 5, 6 and 7 for the purposes of Listing Rule 10.13:

- (a) The Incentive Options will be granted to one executive Director (Mr Munckton), or his nominee, and three non-executive Directors (Messrs Langworthy, Morgan and Cooper), or their nominees, as noted above.
- (b) Details of the maximum number of Incentive Options that may be issued by the Company under each Resolution are as follows:

| | Allottee | Position | Tranche 1 | Tranche 2 | Tranche 3 | Total |
|--------------|---|---------------------------|------------------|------------------|------------------|-------------------|
| Resolution 4 | Mr Peter Langworthy (or his nominee) | Non-executive Chairman | 1,000,000 | 1,000,000 | 1,000,000 | 3,000,000 |
| Resolution 5 | Mr Andrew Munckton (or his nominee) | Managing Director | 2,333,333 | 2,333,333 | 2,333,334 | 7,000,000 |
| Resolution 6 | Mr David Morgan (or his nominee) | Non-executive Director | 666,666 | 666,667 | 666,667 | 2,000,000 |
| Resolution 7 | Mr Robert Cooper (or his nominee) | Non-executive Director | 666,666 | 666,667 | 666,667 | 2,000,000 |
| Total | | | 4,666,665 | 4,666,667 | 4,666,668 | 14,000,000 |

- (c) The Incentive Options will be granted for no consideration and the terms and conditions of the Incentive Options are set out at section 5.4 below.
- (d) No funds will be raised by the grant of the Incentive Options.
- (e) The Incentive Options will be granted on a date which will be no later than 1 month after the date of the Meeting, unless otherwise extended by way of ASX granting a waiver to the Listing Rules.
- (f) A voting exclusion statement is included in the Notice in respect of each Resolution 4 to 7.

If approval is given for the grant of the Incentive Options under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

5.3 Chapter 2E of the Corporations Act

Pursuant to Chapter 2E of the Corporations Act, a public company cannot give a “financial benefit” to a “related party” of the public company unless one of the exceptions to that section apply or shareholders have in general meeting approved the giving of that financial benefit to the related party and the benefit is given within 15 months after obtaining such approval.

For the purposes of Chapter 2E of the Corporations Act, each Director is a “related party” of the Company.

Resolutions 4, 5, 6 and 7 relate to the proposed grant of Incentive Options to each Director of the Company, which is a financial benefit that requires Shareholder approval for the purposes of section 208 of the Corporations Act.

Information requirements – Chapter 2E of the Corporations Act

The following information is provided pursuant to Chapter 2E of the Corporations Act in relation to Resolutions 4, 5, 6 and 7.

The related parties to whom the proposed Resolutions would permit the financial benefit to be given and the nature of the financial benefit

Subject to Shareholder approval, the Incentive Options will be issued as set out in the table below.

The proposed financial benefit to be given is the grant of the Incentive Options for no consideration to the Directors, being Messrs Peter Langworthy, Andrew Munckton, David Morgan and Robert Cooper.

| Director | Number of Incentive Options |
|--------------------------------------|------------------------------------|
| Mr Peter Langworthy (or his nominee) | 3,000,000 |
| Mr Andrew Munckton (or his nominee) | 7,000,000 |
| Mr David Morgan (or his nominee) | 2,000,000 |
| Mr Robert Cooper (or his nominee) | 2,000,000 |

The details of the financial benefit including reasons for giving the type and quantity of the benefit

The terms of the Incentive Options are set out in Section 5.4 below.

The primary purpose of the issue of the Incentive Options is to allow the Company to provide a cost effective incentive for the ongoing dedication and efforts of the Directors.

The Company's rationale for issuing Incentive Options to Mr Andrew Munckton, the Company's sole executive Director, is to incentivise him at a time when real cash remuneration levels have been declining whilst concurrently his Director obligations and commitments have increased. It is believed that the proposed Incentive Option issues to Mr Munckton will assist to motivate him above what might be considered normal effort, and reward success where the Company has delivered increased Shareholder returns over a sustained period.

With regard to the issue of Incentive Options to non-executive Directors, the Board considers the issue of Incentive Options to be reasonable in the circumstances, to assist the Company in retaining the highest calibre of suitably qualified non-executive Directors for the Company, whilst maintaining the Company's cash reserves.

The number of Incentive Options to be granted to each Director has been determined based upon a consideration of:

- (a) the extensive experience and reputation of each Director within the industry;
- (b) the current market price of Shares;
- (c) the current market practice when determining the terms of the Incentive Options and the number of Incentive Options to be issued to each Director; and
- (d) the factors set out above.

Directors' current holdings

As at the date of this Notice, the Directors hold the following Shares and Options (directly or indirectly):

| Director | Number of Shares | Number of Unlisted Options¹ | Number of Unquoted Performance Rights |
|-----------------|-------------------------|---|--|
| Mr Langworthy | 24,148,240 ² | 7,915,351 ³ | - |
| Mr Munckton | 6,306,306 ⁴ | - | 5,182,682 ⁵ |
| Mr Morgan | 13,966,677 ⁶ | 2,000,000 ⁷ | - |
| Mr Cooper | 1,580,000 | - | - |

Notes:

¹ Unlisted options issued pursuant to capital raisings.

² 15,814,907 Shares held by Jericho Exploration Pty Ltd <The Langworthy Family A/C>, 2,380,952 Shares held by Langworthy Super Fund and 5,952,381 shares held by Omni GeoX Pty Ltd.

³ 5,415,351 Options held by Jericho Exploration Pty Ltd <The Langworthy Family A/C> and 2,500,000 Options held by Omni GeoX Pty Ltd.

⁴ Shares held by Metamorphic Investments Pty Ltd, a company in which Mr Munckton is a director.

⁵ Performance Rights held by Metamorphic Investments Pty Ltd, a company in which Mr Munckton is a director.

⁶ 10,595,885 Shares held by Emlyn Holdings Pty Ltd as trustee for Glyn Dwr Trust and 3,370,792 held by DBG Morgan and FM Morgan as trustee for Morgold Superannuation Fund.

⁷ 2,000,000 Options held by Emlyn Holdings Pty Ltd as trustee for Glyn Dwr Trust.

Dilution effect of grant of Incentive Options on existing members' interests

If Shareholders approve the issue of Incentive Options pursuant to Resolutions 4, 5, 6 and 7, the Directors have the power to grant a total of 14,000,000 Incentive Options to Directors on the terms and conditions set out in Section 5.4 below.

The Company currently has 634,484,141 Shares, 60,164,182 unlisted Options and 5,182,682 Performance Rights on issue, as set out below.

| Security | Number | Exercise Price / Performance Hurdle | Expiry Date |
|--------------------|---------------|--|--------------------|
| Shares | 634,484,141 | N/A | N/A |
| Options | 60,164,182 | 1.2 cents | 8 February 2018 |
| Performance Rights | 1,158,478 | Vesting when the Company's 10 day VWAP exceeds \$0.06675 | 21 October 2018 |
| | 1,639,731 | Vesting when the Company's 10 day VWAP exceeds \$0.11125 | 21 October 2018 |
| | 1,142,560 | Vesting when the Company's 10 day VWAP exceeds \$0.047 | 27 October 2020 |
| | 1,241,913 | Vesting when the Company's 10 day VWAP exceeds \$0.078 | 27 October 2020 |

If all proposed Incentive Options are granted and are ultimately exercised, and assuming all Options and Performance Rights on issue have been exercised, the effect of the exercise of the Incentive Options will be to dilute the shareholding of existing Shareholders by approximately 2.0%. If all proposed incentive Options are granted and are ultimately exercised, and assuming all Options and Performance Rights on issue have not been exercised, the effect of the exercise of the Incentive Options will be to dilute the shareholding of existing Shareholders by approximately 2.20%. The market price of the Company's Shares during the period of the Incentive Options will normally determine whether or not the Directors exercise the Incentive Options. At the time any Incentive Options are exercised and Shares are issued pursuant to the exercise of the Incentive Options, the Company's Shares may be trading at a price which is higher than the exercise price of the Incentive Options.

Directors' total remuneration package

The Directors' fees per annum (including superannuation) and the total financial benefit to be received by them in this current period, as a result of the grant of the Incentive Options the subject of Resolutions 4, 5, 6 and 7, are as follows:

| Director | Fees p.a.* | Value of Incentive Options | Total Financial Benefit (A\$) |
|-----------------|-------------------|-----------------------------------|--------------------------------------|
| Mr Langworthy | 46,220 | 25,200 | 71,420 |
| Mr Munckton | 240,900 | 58,800 | 299,700 |
| Mr Morgan | 30,604 | 16,800 | 47,404 |
| Mr Cooper | 30,604 | 16,800 | 47,404 |

*Annual remuneration for the period commencing 1 July 2017 and ending on the date of this Notice.

The indicative Incentive Option valuation of \$117,600 is a theoretical valuation of each Incentive Option using the Black - Scholes option pricing model.

Valuation of Incentive Options

The Company has valued the Incentive Options using the Black - Scholes option pricing model based on the following inputs and assumptions:

- (a) Number of Incentive Options is 14,000,000.
- (b) Current Share price at date of valuation of \$0.014 cents (on 29 August 2017).
- (c) Exercise price of \$0.0226, \$0.0234 and \$0.0312.
- (d) Expected life of the Incentive Options is 4 years.
- (e) Dividend yield is nil.
- (f) Risk-free interest rate of 2.20% (5 year Australian Government bond rate).
- (g) Share price volatility of 100%.

Any change in the variables applied in the Black – Scholes calculation between the date of the valuation and the date the Incentive Options are granted would have an impact on their price.

Having regard to the factors set out above, and using the Black - Scholes option pricing model, the value of the Incentive Options proposed to be issued is \$117,600 with details set out in the following table:

| | Tranche 1 | Tranche 2 | Tranche 3 | |
|---|--|--|--|-------------------|
| Number of Options in Tranche | 4,666,665 | 4,666,667 | 4,666,668 | |
| Exercise price per Option in Tranche | \$0.0226 | \$0.0234 | \$0.0312 | |
| Value per Option | \$0.0087 | \$0.0086 | \$0.0079 | |
| Vesting date of Options in Tranche | issue date | 6 months after issue date | 12 months after issue date | |
| Expiry Date of Options in Tranche | 48 months after issue date | 48 months after issue date | 48 months after issue date | |
| Director: | Tranche 1 Valuation held by Director (\$) | Tranche 2 Valuation held by Director (\$) | Tranche 3 Valuation held by Director (\$) | Total (\$) |
| Mr Langworthy | \$8,700 | \$8,600 | \$7,900 | \$25,200 |
| Mr Munckton | \$20,300 | \$20,067 | \$18,433 | \$58,800 |
| Mr Morgan | \$5,800 | \$5,733 | \$5,267 | \$16,800 |
| Mr Cooper | \$5,800 | \$5,733 | \$5,267 | \$16,800 |
| Total | \$40,600 | \$40,133 | \$36,867 | \$117,600 |

Company's historical Share price

In the 12 months before the date of this Notice, the highest, lowest and last trading price of Shares on the ASX are as set out below:

| | Date | Price |
|--------------------|------------------|--------------|
| Highest | 24 October 2016 | 3.2 cents |
| Lowest | 3 July 2017 | 1.4 cents |
| Last Trading Price | 6 September 2017 | 1.5 cents |

Other information

Under the Australian Equivalent of the International Financial Reporting Standards, the Company is required to expense the value of the Incentive Options in its statement of financial performance for the current financial year.

Other than as disclosed in this Explanatory Memorandum, the Directors do not consider that from an economic and commercial point of view, there are any costs or detriments including opportunity costs or taxation consequences for the Company or benefits foregone by the Company in granting the Incentive Options pursuant to Resolutions 4, 5, 6 and 7.

Other than the information specified in this Explanatory Memorandum, neither the Directors nor the Company is aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 4, 5, 6, and 7.

Directors' recommendation

In relation to each of Resolutions 4 to 7 (inclusive), each of the Directors abstain from making a recommendation to Shareholders, regarding the issue of the Incentive Options given that each Director has an interest in the outcome of one of those Resolutions. The Board is not aware of any other information that would reasonably be required by the Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 4 to 7.

Voting

Note that a voting exclusion applies to Resolutions 4, 5, 6 and 7 in the terms set out in the Notice of Meeting. In particular, the Director who would receive Incentive Options under each of Resolutions 4, 5, 6 or 7 and any Associates of that Director and other Restricted Voters may not vote on that Resolution and may not cast a vote as proxy, unless the appointment specifies the way the proxy is to vote or the proxy is given to the Chair and expressly authorises the Chair to exercise your proxy, even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. The Chair intends to use any such proxies to vote in favour of the Resolutions. In exceptional circumstances, the Chair of the Meeting may change his or her voting intention on Resolutions 4, 5, 6 or 7 in which case an ASX announcement will be made. Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on these Resolutions.

5.4 Terms and Conditions of the Incentive Options

The terms of issue of the Incentive Options are as follows:

- (a) Each Incentive Option entitles the holder to acquire one Share upon exercise of that Incentive Option.
- (b) The amounts payable on exercise of the Incentive Options, the vesting and expiry dates are as follows:

| Tranche | Number of Incentive Options | Exercise Price | Vesting Date | Expiry Date |
|----------------|------------------------------------|-----------------------|---------------------------------|----------------------------|
| 1 | 4,666,665 | Note (i) | Vest on issue date | 48 months after issue date |
| 2 | 4,666,667 | Note (i) | Vest 6 months after issue date | 48 months after issue date |
| 3 | 4,666,668 | Note (i) | Vest 12 months after issue date | 48 months after issue date |
| Total | 14,000,000 | | | |

Note (i): The exercise price of the Incentive Options will be equal to 45% (Tranche 1), 50% (Tranche 2) and 100% (Tranche 3) premiums to the VWAP of Shares on ASX for the 10 Trading Days prior to the Annual General Meeting.

- (c) On the occurrence of a change of control event to the Company all Incentive Options which have not yet vested will vest immediately on the occurrence of that event.

A “**change of control event**” means a takeover offer being made for Shares in the Company and being declared, or becoming, unconditional, any merger transaction or scheme of arrangement recommended by the Board in relation to the Shares in the Company or a greater than 30% change in the shareholding of the Company from that which existed on 6 September 2017.

- (d) Incentive Options may be issued to a permitted nominee of a Director. A permitted nominee is a third party nominated by the Director and approved by the Board in its absolute discretion.
- (e) Incentive Options that have vested may be exercised at any time prior to expiry by completing an Incentive Option exercise form and delivering it together with the payment for the number of Shares for which the Incentive Options are exercised to the registered office of the Company.
- (f) The Company shall as soon as practicable, and no later than within 15 Business Days of the exercise of the Incentive Options:
 - a. allot the resultant Shares and deliver a statement of shareholdings with a holders' identification number; and
 - b. take steps so that any offer of those Shares for sale within 12 months of their issue will not require disclosure under section 707(3) of the Corporations Act;
- (g) If an optionholder (or if the Incentive Options are issued to a permitted nominee, the person who nominated that permitted nominee) ceases to be a Director or an employee after an Incentive Option has vested and become exercisable, the Incentive Options may be exercised during the period of 3 months following that cessation or such longer period as the Board determines. Incentive Options not exercised within such period will automatically lapse.
- (h) All unvested Incentive Options immediately lapse if an optionholder (or if the Incentive Options are issued to a nominee, the person who nominated that nominee) ceases to be a Director or an employee, unless otherwise determined by the Board.
- (i) All Shares issued upon exercise of the Incentive Options will, from the date they are issued, rank *pari passu* in all respects with the Company's then issued Shares. The Company will apply for official quotation by ASX of all Shares issued upon exercise of the Incentive Options.
- (j) The optionholder will be entitled to participate in any new issue of securities to existing holders of Shares in the Company provided the optionholder has exercised their Incentive Options prior to the record date for determining entitlements.
- (k) The Incentive Options do not confer on the holder any right to participate in dividends until Shares are allotted pursuant to the exercise of the Incentive Options.
- (l) Subject to paragraph (m), if the Company makes a bonus share issue, a rights issue or any other similar issue of rights or entitlements, there will be no adjustment to the exercise price, the number of Shares per Incentive Option or any other terms of those Incentive Options.
- (m) On a reorganisation of the Company's capital, the rights of optionholders (including the number of Incentive Options and the exercise price) will be changed to the extent necessary to comply with the Listing Rules.
- (n) Subject to the Corporations Act, the ASX Listing Rules and the Company's Constitution, the Incentive Options are transferable subject to the prior written approval of the Board in its absolute discretion. The Incentive Options will not be listed for quotation on the ASX.

6. RESOLUTION 8—APPROVAL OF ISSUE OF SECURITIES UNDER EMPLOYEE EQUITY INCENTIVE PLAN

The Directors consider it desirable to establish an employee incentive scheme pursuant to which Directors, employees and certain consultants may be offered the opportunity to be granted share options in order to increase the range of potential incentives available to them and to strengthen links between the Company and its employees, Directors and key consultants. Accordingly, the Directors have resolved to adopt an Employee Equity Incentive Plan that is consistent with ASIC Class Order CO 14/1000.

The Employee Equity Incentive Plan is designed to provide incentives to Eligible Employees and to recognise their contribution to the Company's success. Under the Company's current circumstances, the Directors consider that the issue of Options to Eligible Employees is a cost effective and efficient means for the Company to provide incentive to these individuals, as opposed to alternative forms of incentives such as cash bonuses or increased remuneration.

Options are rights to acquire Shares subject to satisfaction of specified vesting conditions (**Vesting Conditions**) and payment of the exercise price in a specified vesting period (**Vesting Period**).

Listing Rule 7.1 broadly provides that a company may issue Equity Securities (such as shares, options or performance rights) up to 15% of its issued capital in any 12 month period without shareholder approval. Listing Rule 7.2 exception 9(b) provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme that has been approved by the holders of ordinary securities within 3 years of the date of issue.

Resolution 8 seeks Shareholder approval for the issue of securities under the Employee Equity Incentive Plan pursuant to Listing Rule 7.2 exception 9(b). The effect of this is that if Shareholder approval is obtained, the issue of securities under the Employee Equity Incentive Plan will be issued as an exception to Listing Rule 7.1. This preserves the Company's ability to issue securities under Listing Rule 7.1 for other purposes, such as for capital raisings. Prior Shareholder approval will be required before any Director or related party of the Company can participate in the Employee Equity Incentive Plan.

In accordance with the requirements of Listing Rule 7.2 exception 9(b), the following information is provided:

- (a) a summary of the Employee Equity Incentive Plan is provided as Schedule B to this Notice and Explanatory Memorandum;
- (b) the Employee Equity Incentive Plan has not previously been approved by Shareholders. However, the Company has in place a Performance Rights Plan, which was approved by Shareholders at the Company's annual general meeting held on 26 November 2015 (**Old Plan**). A total of 2,384,473 Performance Rights have been issued under the Old Plan as follows:

| Number of Performance Rights | Vesting Conditions | Vesting Period |
|-------------------------------------|---|--------------------------------|
| 1,142,560 | When the Company's VWAP for 10 trading days exceeds \$0.047 | 4 years ending 27 October 2020 |
| 1,241,913 | When the Company's VWAP for 10 trading days exceeds \$0.078 | 4 years ending 27 October 2020 |

- (c) a voting exclusion statement has been included for the purposes of Resolution 8.

Summary of the Employee Equity Incentive Plan

A summary of the Employee Equity Incentive Plan forms Schedule B to this Notice and Explanatory Memorandum.

GLOSSARY

\$ means Australian dollars.

10% Placement Capacity has the meaning given to that term on page 13.

Accounting Standards has the meaning given to that term in the Corporations Act.

Additional Placement Period has the meaning given to that term on page 16.

Annual General Meeting means the annual general meeting set out in the Notice.

Annual Report means the annual report of the Company for the year ended 30 June 2017.

Associate has the meaning given in sections 12 and 16 of the Corporations Act. Section 12 is to be applied as if paragraph 12(1)(a) included a reference to the Listing Rules and on the basis that the Company is the “designated body” for the purposes of that section. A related party of a director or officer of the Company or of a Child Entity of the Company is to be taken to be an associate of the director or officer unless the contrary is established.

ASX means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

Auditor means the Company’s auditor from time to time (if any).

Auditor’s Report means the report of the Auditor contained in the Annual Report for the year ended 30 June 2017.

Board means the board of Directors of the Company.

Business Day has the same meaning given to it in the Listing Rules.

Chair or **Chairman** means the individual elected to chair meetings of the Company from time to time.

Child Entity has the same meaning given to it in the Listing Rules.

Closely Related Party has the meaning given in the Corporations Act.

Company means Syndicated Metals Limited ABN 61 115 768 986.

Constitution means the constitution of the Company, as amended from time to time.

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

Director means a director of the Company.

Directors’ Report means the report of the Directors contained in the Annual Report for the year ended 30 June 2017.

Eligible Employee has the meaning given to that term under the Employee Equity Incentive Plan.

Employee Equity Incentive Plan means the plan the subject of resolution 8 as summarised in Schedule B to this Explanatory Memorandum.

Equity Securities has the meaning given to it in the Listing Rules.

Explanatory Memorandum means this explanatory memorandum.

Glossary means the Glossary set out in the Explanatory Memorandum.

Incentive Option has the meaning given to that term in section 5 of the Explanatory Memorandum.

Key Management Personnel has the meaning given in the Accounting Standards.

Listing Rules means the listing rules of the ASX.

Meeting means the annual general meeting the subject of the Notice.

Managing Director means the managing director of the Company.

Notice or **Notice of Meeting** means the notice of annual general meeting which accompanies this Explanatory Memorandum.

Old Plan has the meaning given to that term in section 6 of the Explanatory Memorandum.

Option means an option to acquire a Share.

Performance Right means a performance right, being a right to acquire a Share, granted pursuant to the terms and conditions of the Performance Rights Plan.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Annual Report for the year ended 30 June 2017.

Resolution means a resolution proposed pursuant to the Notice.

Restricted Voter means the Key Management Personnel and their Closely Related Parties as at the date of the Meeting.

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

Shareholder means the holder of Shares.

Spill Resolution has the meaning given to that term in section 2 of the Explanatory Memorandum.

Spill Meeting has the meaning given to that term in section 2 of the Explanatory Memorandum.

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

VWAP means in relation to a particular period, the volume weighted average price of trading in Shares on ASX over that period.

SCHEDULE A

Equity Securities Issued By The Company During The 12 Months Preceding The Annual General Meeting

| Date | Type of Equity Securities | Number issued | Summary of Terms | Allottees | Issue Price and discount to market price on date of issue (if any) | Consideration |
|-------------|----------------------------------|----------------------|--|---|--|--|
| 1/11/2016 | Performance Rights | 2,384,473 | <p>1,142,560 Performance Rights will vest when the Company's VWAP per share for 10 trading days on ASX exceeds \$0.047;</p> <p>1,241,913 Performance Rights will vest when the Company's VWAP per share for 10 trading days on ASX exceeds \$0.078.</p> <p>Unvested Performance Rights will expire on 27 October 2020.</p> | Entity associated with the Company's Managing Director. | Nil. | Nil. |
| 9/11/2016 | Fully paid ordinary Shares | 15,355,000 | Non-renounceable 1 for 6 Entitlement Offer shortfall shares and CopperChem top up right shares. | Entity associated with the Company's Chairman and CopperChem Limited. | <p>\$0.005.</p> <p>The issue price represented an 82% discount to the market price on the date of issue.</p> | <p>\$76,775</p> <p>As at the date of this Notice the funds raised have been spent on the Company's exploration and drilling programs at the Monument Gold Project in the Laverton region of WA, asset maintenance activities associated with the Company's Queensland copper-gold projects to ensure that the tenement holding is kept in good standing and general working capital and administrative expenses.</p> |

| | | | | | | |
|-----------|----------------------------|------------|---|---|---|--|
| 9/11/2016 | Fully paid ordinary shares | 12,184,000 | CopperChem top up right following issue of shares to acquire Monument Exploration Pty Ltd. | CopperChem Limited | \$0.008415. The issue price represented a 71% discount to the market price on the date of issue. | \$102,528 As at the date of this Notice the funds raised have been spent on the Company's exploration and drilling programs at the Monument Gold Project in the Laverton region of WA, asset maintenance activities associated with the Company's Queensland copper-gold projects to ensure that the tenement holding is kept in good standing and general working capital and administrative expenses. |
| 9/11/2016 | Unlisted Options | 7,677,500 | One free attaching option for every two shares issued under the Shortfall Offer of the Entitlement Offer. Exercise price of 1.2 cents and expiry date of 8 February 2018. | Entity associated with the Company's Chairman and CopperChem Limited. | Nil. | Nil. |
| 9/11/2016 | Fully paid ordinary shares | 7,923,095 | Share Placement and CopperChem top up right following issue of Placement Shares. | Entities associated with certain Directors of the Company and CopperChem Limited. | \$0.021. The issue price represented a 27% discount to the market price on the date of issue. | \$166,385 As at the date of this Notice the funds raised have been spent on the Company's exploration and drilling programs at the Monument Gold Project in the Laverton region of WA, asset maintenance activities associated with the Company's Queensland copper-gold projects to ensure that the tenement holding is kept in good standing and general working capital and administrative expenses. |

| | | | | | | |
|-----------|----------------------------|---------|---|-----------------------|--|---|
| 9/12/2016 | Fully paid ordinary shares | 600,000 | Shares issued to the vendor of tenements P39/5471 and P39/5154 as consideration for the purchase of tenements adjoining the Company's existing Monument Gold Project tenements. | Vendor of tenements. | \$0.025. The issue price represented a nil discount to the market price on the date of issue. | <p>\$15,000 non-cash consideration by way of share issue (600,000 shares at \$0.025 per share) plus \$10,000 cash consideration.</p> <p>As at the date of this Notice the cash consideration has been spent on the Company's exploration and drilling programs at the Monument Gold Project in the Laverton region of WA, asset maintenance activities associated with the Company's Queensland copper-gold projects to ensure that the tenement holding is kept in good standing and general working capital and administrative expenses.</p> <p>The non-cash consideration paid by way of share issue represented a portion of the value of the tenements acquired.</p> <p>The value of the non-cash portion of the consideration as at the date of this Notice is \$9,000.</p> |
| 9/12/2016 | Fully paid ordinary shares | 87,500 | Conversion of unlisted options exercisable at 1.2c and expiring on 8 February 2018. | Existing shareholder. | \$0.012 The issue price represented a 40% discount to the market price on the date of issue. | <p>\$1,050</p> <p>As at the date of this Notice the funds raised have been spent on the Company's exploration and drilling programs at the Monument Gold Project in the Laverton region of WA, asset maintenance activities associated with the Company's Queensland copper-gold projects to ensure that the tenement holding is kept in good standing and general working capital and administrative expenses.</p> |

| | | | | | | |
|-----------|----------------------------|---------|---|----------------------|---|--|
| 22/2/2017 | Fully paid ordinary shares | 100,000 | Shares issued to the vendor of tenements P39/5456 and P39/5457 as consideration for the purchase of tenements adjoining the Company's existing Monument Gold Project tenements. | Vendor of tenements. | <p>\$0.023.</p> <p>The issue price represented a nil discount to the market price on the date of issue.</p> | <p>\$2,300 non-cash consideration by way of share issue (100,000 shares at \$0.023 per share) plus \$10,000 cash consideration.</p> <p>As at the date of this Notice the cash consideration has been spent on the Company's exploration and drilling programs at the Monument Gold Project in the Laverton region of WA, asset maintenance activities associated with the Company's Queensland copper-gold projects to ensure that the tenement holding is kept in good standing and general working capital and administrative expenses.</p> <p>The non-cash consideration paid by way of share issue represented a portion of the value of the tenements acquired.</p> <p>The value of the non-cash portion of the consideration as at the date of this Notice is \$1,500.</p> |
|-----------|----------------------------|---------|---|----------------------|---|--|

SCHEDULE B

Summary of the Employee Equity Incentive Plan

1 Awards

Under the Plan, Participants (as defined below) will be granted incentive awards (**Awards**) which may comprise:

- (a) shares, issued at a price (if any) determined by the Board in their sole and absolute discretion, subject to any vesting conditions (**Shares**); and/or
- (b) options, issued at a price (if any) determined by the Board in their sole and absolute discretion, each to subscribe for one Share on payment of an exercise price (if any) determined by the Board in their sole and absolute discretion, and subject to any vesting conditions (**Options**); and/or
- (c) performance rights, issued at a price (if any) determined by the Board in their sole and absolute discretion, each being a conditional right to subscribe for one Share on payment of an exercise price (if any) determined by the Board in their sole and absolute discretion, and subject to the satisfaction of any vesting conditions (**Performance Rights**).

2 Eligibility

At the discretion of the Board, a person who is:

- (a) a full time or part time employee or non-executive director of the Company or an associated body corporate (being a body corporate that is a related body corporate of the body, a body corporate that has voting power in the body of not less than 20% or a body corporate in which the body has voting power of not less than 20%) (**Group Company**);
- (b) an individual who is or might reasonably be expected to be engaged to work the number of hours that are the pro rata equivalent of 40% or more of a comparable full time position with a Group Company; or
- (c) an individual or company with whom a Group Company has entered into a contract for the provision of services under which the individual or a director or their spouse performs work for a Group Company where the individual who performs the work under or in relation to the contract is, or might reasonably be expected to be, engaged to work the number of hours that are the pro-rata equivalent of 40% or more of a comparable full-time position with a Group Company,

is permitted to participate in the Plan.

People eligible to participate in the Plan are called "**Eligible Employees**". The Board may permit an Award the subject of an offer to be issued to another party nominated by an Eligible Employee (for example, the Eligible Employee's (a) immediate family member; (b) a corporate trustee of a self-managed superannuation fund (within the meaning of the Superannuation Industry (Supervision) Act 1993) where the Eligible Employee is a director of the trustee; or (c) a company whose members are no-one other than the Eligible Employee or their immediate family members) (**Nominated Party**).

A "**Participant**" is an Eligible Employee or Nominated Party to whom an Award has been granted.

3 Payment for Awards

Awards can be issued at a price (if any) determined by the Board in their sole and absolute discretion.

4 Limits on number of Awards granted

Under the Plan rules, where an offer is made under the Plan in reliance on ASIC Class Order 14/1000 (or any amendment or replacement of it) the Board must, at the time of making the offer, have reasonable grounds to believe that the total number of Shares (or, in respect of Options or Performance Rights, the total number of Shares which would be issued if those Options or Performance Rights were exercised) will not exceed 5% of the total number of Shares on issue when aggregated with the number of Shares issued or that may be issued as a result of offers made at any time during the previous 3 year period under the Plan or any other employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme.

This limit is in accordance with the current ASIC Class Order which provides disclosure, licensing, advertising and hawking relief for employee incentive schemes, and which the Company may seek to rely on in connection with making offers under the Plan.

5 Entitlements of Participants

(a) Notice of meeting

Unless otherwise resolved by the Board when it makes an offer, and subject to the terms of issue, a Participant is entitled to notice of a meeting of the Shareholders of the Company and may exercise (whether in person or by proxy) any voting rights attaching to any Shares registered in the Participant's name which were the subject of the offer.

(b) Dividends

The Board may determine, at the time of an offer of Shares, whether the Participant is entitled to receive any dividends declared or paid by the Company on unvested Shares (including whether any such dividends are to be held in escrow until the Shares are fully vested).

Participants who hold Options or Performance Rights are not entitled to receive any dividends declared by the Company. No adjustment will be made to the number of Performance Rights or Options granted to a Participant under the Plan if dividends or other distributions are paid on the Shares prior to their vesting or exercise.

(c) Changes in capital

Unless otherwise resolved by the Board when it makes an offer, a Participant who holds Shares has the same entitlement as any other Shareholder to participate in a bonus issue or rights offer, provided that if the Shares are unvested and/or have any restrictions on sale imposed on them, any Shares issued to a Participant under the bonus issue or rights offer will be subject to the Plan as if those shares were Shares issued under the offer made to the Participant.

Options or Performance Rights do not confer on the Participant the right to participate in new issues of Shares by the Company.

In the event of a capital reconstruction, subject to any provision in the Listing Rules, the Board may adjust any or all of the number of Shares issued pursuant to the offer to a Participant as the Board deems appropriate. If there is a reorganisation of capital, the rights of a Participant will be changed to the extent necessary to comply with the Listing Rules.

If the Company makes a pro rata issue (except a bonus issue) of Shares to Shareholders the exercise price of Options and Performance Rights will be reduced in accordance with the Listing Rules.

If the Company makes a bonus issue of Shares to Shareholders the number of underlying Shares over which the Option or Performance Right is exercisable will be increased by the number of Shares that would have been received if the relevant Option or Performance Right had been exercised before the record date for the bonus issue. No adjustment will be made to the exercise price.

If a resolution for a voluntary winding up is proposed, the Board may give notice to Participants providing a period to exercise Options or Performance Rights, subject to the relevant vesting conditions.

6 Dealing, vesting and exercise

(a) Dealing

Participants must not dispose of, grant (or purport to grant) any security interest in or over, or otherwise deal with (or purport to dispose or deal with) an Award unless:

- (i) it is in compliance with the terms of the Share offer and any Share vesting conditions;
- (ii) in respect of Options and Performance Rights, the prior consent of the Board is obtained (which consent may impose such terms and conditions on such assignment, transfer, novation, encumbrance or disposal as the Board sees fit in its sole and absolute discretion) or such assignment or transfer occurs by force of law upon the death of a Participant to the Participant's legal personal representative.

While the Shares are subject to any restrictions, the Board may do such things it considers necessary and appropriate to enforce the restrictions, including but not limited to imposing a holding lock on the Shares during the relevant restriction period.

(b) Vesting

Awards only vest if the applicable vesting conditions are satisfied, waived by the Board or are deemed to have been satisfied under the Plan. The vesting conditions are determined prior to the granting of such Awards by the Company.

(c) Exercise

Vested Options and Performance Rights can only be exercised during the exercise period specified in the invitation to participate in the Plan.

The exercise price per Share in respect of an Option or Performance Right granted pursuant to the Plan will be determined by the Board. Upon exercise, one Share in the Company will be issued to the Participant for each exercised Option or converted Performance Right.

Options and Performance Rights will expire on the date that is two years after the date of issue, or such other period determined by the Board or the Plan.

7 Lapse of Awards

If a Participant resigns (other than in circumstances of redundancy, mental illness, total and permanent disability, terminal illness or death), is dismissed from office for cause or poor performance, or in another circumstance determined by the Board:

- (a) unvested Shares will be forfeited;
- (b) unvested Options and Performance Rights will lapse;
- (c) vested Options and Performance Rights that have not been exercised will lapse on the date of cessation of employment or office,

unless the Board determines different treatment is warranted (subject to compliance with the Listing Rules and the Corporations Act).

If a Participant's employment or engagement with a Group Company ceases in any other circumstances, unless the Board determines different treatment is warranted (subject to compliance with the Listing Rules and the Corporations Act):

- (a) unvested Shares will be forfeited;
- (b) unvested Options and Performance Rights will lapse; and
- (c) vested Options and Performance Rights that have not been exercised will continue in force and remain exercisable, until the last exercise date determined by the Board or the Plan.

8 Forfeiture of Shares

Unvested Shares will be forfeited on the earlier of:

- (a) the Board determining any applicable vesting condition has not been, or is not capable of being, satisfied, reached or met;
- (b) the Shares being forfeited under the Plan provisions dealing with cessation of employment, change of control, breach, fraud or misconduct; or
- (c) unless the Board determines otherwise, the Participant purporting to deal with the Shares in breach of the vesting conditions and the Plan or enter into an arrangement to affect their economic exposure to unvested Shares where restricted by applicable law.

The Company must:

- (a) sell forfeited Shares in the ordinary course of trading on ASX;
- (b) buy back and cancel the forfeited Shares; or
- (c) deal with the forfeited Shares in any other manner determined by the Board from time to time.

No consideration or compensation is payable to a Participant for or in relation to the forfeiture of Shares under the Plan.

9 Breach, fraud or misconduct

If the Board determines that a Participant has:

- (a) been dismissed or removed where a Group Company was entitled to do so without notice;
- (b) been indicted for an offence under the Corporations Act;
- (c) had civil judgement entered against them;
- (d) committed fraud, defalcation or gross misconduct; or
- (e) materially breaches their duties or obligations,

in connection with a Group Company, or has done an act which brings a Group Company into disrepute, the Board may determine that:

- (a) unvested Shares will be forfeited;
- (b) unvested Options and Performance Rights will lapse.

10 Change of control events

On the occurrence of a change of control event (as defined in the Plan, which includes an unconditional takeover offer, a court approved scheme of arrangement, a merger resulting in the current Shareholders being entitled to 50% or less of the shares of the merged entity, a Group Company agreeing to sell a majority of its business or assets or a determination of the Board that control of the Company has or is likely to change), the Board may in its sole and absolute discretion determine how unvested Awards will be treated, including but not limited to:


- (a) determining that all or a portion of unvested Awards will vest; and/or
- (b) reducing or waiving vesting conditions.

11 Amendments to terms of exercise or the Plan

The Board may vary the terms of exercise of Options or Performance Rights, and may reduce or waive vesting conditions. However, no variation to the terms of exercise of an Option or Performance Right will be made without the consent of the Participant if it would have a material prejudicial effect on them, unless introduced primarily to comply with the law, to correct manifest error or to enable regulatory compliance.

The Board may amend the terms of the Plan, provided that rights or entitlements granted before the amendment shall not be reduced or adversely affected without the prior written approval of the affected Participant.

Lodge your vote:

 **Online:**
www.investorvote.com.au

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

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

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

For all enquiries call:
(within Australia) 1300 763 574
(outside Australia) +61 3 9415 4862

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

Proxy Form

XX



Vote and view the annual report online

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



Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I9999999999 PIN: 99999

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

 **For your vote to be effective it must be received by 10am (Perth time) Monday, 9 October 2017**

How to Vote on Items of Business

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

Appointment of Proxy

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

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

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

A proxy need not be a securityholder of the Company.

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

Signing Instructions for Postal Forms

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

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

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

Attending the Meeting

Completion of a proxy form will not prevent individual securityholders from attending the Meeting in person if they wish. Where a securityholder completes and lodges a valid proxy form and attends the Meeting in person, then the proxy's authority to speak and vote for that securityholder is suspended while the securityholder is present at the meeting.

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms". Should any resolution, other than those specified, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.

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



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

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



I 9999999999

IND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Syndicated Metals Limited hereby appoint

the Chairman of the Meeting OR

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Syndicated Metals Limited to be held at The Park Business Centre, 45 Ventnor Avenue, West Perth, Western Australia on Wednesday, 11 October 2017 at 10am (Perth time) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 4, 5, 6, 7 and 8 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 4, 5, 6, 7 and 8 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 4, 5, 6, 7 and 8 by marking the appropriate box in step 2 below.

STEP 2 Items of Business

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

| | | For | Against | Abstain |
|--------------|--|--------------------------|--------------------------|--------------------------|
| Resolution 1 | Non-binding resolution to adopt Remuneration Report | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 2 | Re-election of Director – Robert Cooper | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 3 | Additional 10% Placement Capacity | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 4 | Approval for issue of Incentive Options to Peter Langworthy | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 5 | Approval for issue of Incentive Options to Andrew Munckton | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 6 | Approval for issue of Incentive Options to David Morgan | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 7 | Approval for issue of Incentive Options to Robert Cooper | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 8 | Approval of issue of securities under Employee Equity Incentive Plan | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

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

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

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /

SMD

999999A

Computershare +