

Artemis Resources Limited
ACN 107 051 749

Notice of General Meeting

Notice is given that the Meeting will be held at:

Time: 11 am

Date: 22 July 2019

Place: The Celtic Club, 48 Ord Street West Perth WA 6005

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

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 11am on 20 July 2019.

Business of the Meeting

Agenda

1. Resolution 1 – Issue of Shares – AIM Capital Raising

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

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue Shares at the AIM Listing Issue Price to raise up to £5,000,000 under the AIM Listing on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. Resolution 2 – Amendments to Constitution

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

“That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to amend the Constitution in the manner set out in the accompanying Explanatory Statement and in the form as signed by the chairman of the Meeting for identification purposes, with effect from the close of the Meeting.”

3. Resolution 3 – Non-executive Directors’ remuneration

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

“That, for the purposes of clause 14.8 of the Constitution, ASX Listing Rule 10.17 and for all other purposes, Shareholders approve an increase of the maximum total aggregate amount of fees payable to non-executive Directors from \$150,000 per annum to \$300,000 per annum in accordance with the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a Director and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition: A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if the proxy is either a member of Key Management Personnel or a Closely Related Party of such a member and the appointment does not specify the way the proxy is to vote on this Resolution. However, this prohibition does not apply if the proxy is the Chair and the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

4. Resolution 4 – Issue of Related Party Options – Edward Mead

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

“That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 1,500,000 Class A Related Party Options, 1,500,000 Class B Related Party Options, 1,500,000 Class C Related Party Options, 1,500,000 Class D Related Party Options and 1,500,000 Class E Related Party Options

to Edward Mead (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by or on behalf of any Director who is eligible to participate in the employee incentive scheme in respect of which approval is sought, or any associates of those Directors (**Resolution 4 Excluded Party**). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, provided the Chair is not a Resolution 4 Excluded Party, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides. As all Directors are eligible to participate in the applicable employee incentive scheme the subject of this Resolution, the Chair, being a Director, would be a Resolution 4 Excluded Party, and is therefore excluded from voting as a proxy unless in accordance with directions on the Proxy Form (i.e. the Chair is not permitted to vote as a proxy for undirected proxies).

Voting Prohibition: A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if the proxy is either a member of the Key Management Personnel or a Closely Related Party of such a member and the appointment does not specify the way the proxy is to vote on this Resolution. However, provided the Chair is not a Resolution 4 Excluded Party, this prohibition does not apply if the proxy is the Chair and the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

5. Resolution 5 – Issue of Related Party Options – Daniel Smith

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

"That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 3,000,000 Class A Related Party Options, 1,000,000 Class B Related Party Options, 1,000,000 Class C Related Party Options, 1,000,000 Class D Related Party Options and 3,000,000 Class E Related Party Options to Daniel Smith (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by or on behalf of any Director who is eligible to participate in the employee incentive scheme in respect of which approval is sought, or any associates of those Directors (**Resolution 5 Excluded Party**). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, provided the Chair is not a Resolution 5 Excluded Party, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides. As all Directors are eligible to participate in the applicable employee incentive scheme the subject of this Resolution, the Chair, being a Director, would be a Resolution 5 Excluded Party, and is therefore excluded from voting as a proxy unless in accordance with directions on the Proxy Form (i.e. the Chair is not permitted to vote as a proxy for undirected proxies).

Voting Prohibition: A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if the proxy is either a member of the Key Management Personnel or a Closely Related Party of such a member and the appointment does not specify the way the proxy is to vote on this Resolution. However, provided the Chair is not a Resolution 5 Excluded Party, this prohibition does not apply if the proxy is the Chair and the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

6. Resolution 6 – Ratification of prior issue of securities under 2018 Funding Agreement

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

"That for the purposes of Listing Rule 7.4, and for all other purposes, Shareholders ratify the issue of 3,931,681 Convertible Notes (2018), 10,000,000 Shares and 8,571,429 Funding Agreement (2018) Options on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. **Resolution 7 – Ratification of prior issue of Shares under ASX Listing Rule 7.1**

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

"That for the purposes of Listing Rule 7.4, and for all other purposes, Shareholders ratify the issue of 500,000 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

8. **Resolution 8 – Ratification of prior issue of securities under 2017 Funding Agreement**

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

"That for the purposes of Listing Rule 7.4, and for all other purposes, Shareholders ratify the issue of 4,500,000 Convertible Notes (2017) and 5,439,858 Funding Agreement (2017) Options on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

9. **Resolution 9 – Ratification of prior issue of Shares upon conversion of Convertible Notes (2017)**

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

"That for the purposes of Listing Rule 7.4, and for all other purposes, Shareholders ratify the issue of 10,341,385 Shares in conversion of 543,478 Convertible Notes (2017) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

10. **Resolution 10 – Issue of Variation Securities – Investors**

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

"That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue:

(a) *36,077 Convertible Notes (2018) and 6,729,195 Funding Agreement (2018) Variation Options to Riverfort Global Capital; and*

(b) *63,923 Convertible Notes (2018), 10,840,505 Funding Agreement (2018) Variation Options and 1,082,475 Funding Agreement (2017) Variation Options to YA II PN, Ltd,*

(or their nominees) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

11. Resolution 11 – Approval of underwriting of SPP

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

“That for the purposes of Listing Rule 7.1, and for all other purposes, approval is given for the Company to issue that number of Shares equal to \$1,500,000 based on the SPP Issue Price and underwritten by Patersons Securities Limited under the SPP on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

12. Resolution 12 – Issue of Shares –Top-Up Placement

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

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to that number of Shares equal to \$1,500,000 under the Top Up Placement based on the SPP Issue Price on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

13. Resolution 13 – Issue of Shares to a related party – Sub-underwriting of SPP – Sheikh Maktoum Hasher al Maktoum

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

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to that number of Shares equal to \$750,000 based on the SPP Issue Price to Sheikh Maktoum Hasher al Maktoum (or his nominee) under the SPP Underwriting Arrangements on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour this Resolution by Sheikh Maktoum Hasher al Maktoum (and his nominee/s) or any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

14. Resolution 14 – Issue of Underwriter Options – Patersons Securities Limited

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

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 10,000,000 Underwriter Options to Patersons Securities Limited (or its nominees) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

15. Resolution 15 – Issue of Advisor Options – Bennelong Limited

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

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 10,000,000 Advisor Options to Bennelong Limited (or its nominees) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Dated: 20 June 2019

By order of the Board

Guy Robertson
Company Secretary

Voting in person

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

Voting by proxy

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

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

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

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- (a) if proxy holders vote, they must cast all directed proxies as directed; and
- (b) any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 2 9078 7671.

Explanatory Statement

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

1. Resolutions 1 and 2 – AIM Listing

1.1 General

The appetite from UK and European investors for gold opportunities is currently strong and, to provide the Company with access to new UK investment capital, on 25 March 2019 the Company announced that it was pursuing admission to the Alternative Investment Market (**AIM**) of the London Stock Exchange plc (**AIM Listing**). Artemis has engaged UK-based legal counsel and appointed a Nominated Advisor and is on target for a Q3 AIM listing.

Resolutions 1 and 2 seek Shareholder approval to facilitate the AIM Listing through:

- (a) raising up to £5,000,000 through the issue of Shares (**AIM Capital Raising**); and
- (b) making certain amendments to the Company's Constitution to satisfy AIM admission requirements.

Resolutions 1 and 2 are inter-conditional.

1.2 AIM Capital Raising

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 1 will be to allow the Company to issue the Shares pursuant to the AIM Capital Raising during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

The number of Shares to be issued under the AIM Capital Raising is dependent upon the then prevailing Company's Share price and the £UK:\$A exchange rate. Following are 3 worked examples of the number of Shares to be issued:

5 day VWAP	Exchange Rate (One \$A equals)					
	£0.525		£0.55		£0.575	
	Number	% ¹	Number	% ¹	Number	% ¹
\$0.015 (half current Share price)	634,920,635	49	606,060,606	48	579,710,145	47
\$0.030 (current share price)	317,460,317	32	303,030,303	31	289,855,072	30
\$0.06 (double current share price)	158,730,159	19	151,515,152	19	144,927,536	18

¹ Dilution of existing Shareholders, assuming no other Shares are issued prior to the AIM Listing.

1.3 Resolution 1 - Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Capital Raising:

- (a) the maximum number of Shares to be issued is that number of Shares at the AIM Listing Issue Price which equal up to £5,000,000;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of all the Shares pursuant to the Capital Raising will occur on the same date;
- (c) the issue price of the Shares will be at least 80% of the volume weighted average market price (as defined in the Listing Rules for Shares calculated over the last 5 days on which sales in Shares were recorded before the day on which an offer document for the AIM Listing is signed (**AIM Listing Issue Price**));
- (d) the Shares will be issued to investors yet to be identified, but who will not be related parties of the Company;
- (e) the Shares proposed to be issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) the Company intends to use funds raised from the AIM Capital Raising for diamond and reverse-circulation (RC) drilling, a extended heritage survey and a sub-audio magnetic survey (SAM) at the Carlow Castle Au-Cu Project and a geochemical survey at the Armada Prospect in the east Pilbara; and
- (g) a voting exclusion statement is included in the Notice of Meeting.

2. Resolution 2 – Amendments to Constitution

2.1 Reason for the proposed amendments

Rule 17 of the AIM Rules for companies requires certain disclosure regarding voting rights once those rights exceed 3% of a company's total voting rights.

The Constitution does not currently contain any provisions requiring a Shareholder to notify the Company without delay:

- (a) in the event that the Shareholder acquires a direct or indirect ownership interest in Shares exceeding 3% of the issued and outstanding Shares from time to time; or
- (b) of any changes to such Shareholder's holding which increases or decreases such holding through any single percentage.

Such provisions are typically included in the constitutional documents of companies trading on AIM to enable compliance by the company with the disclosure requirements of Rule 17 of the AIM Rules for Companies.

Resolution 2 seeks Shareholder approval for the Company to amend the Constitution so as to oblige Shareholders to notify the Company in the event they become a 'significant shareholder' (as defined in the AIM Rules for Companies) or if there is an alteration by 1% or more in a significant shareholder's holding of Shares.

2.2 Summary of the proposed amendments

In summary, the proposed amendments to the Constitution will require Shareholders to notify the Company of the percentage of voting rights held as a Shareholder or direct/indirect holder of financial instruments if, as a result of an acquisition or disposal of Shares or financial instruments (but not, for the avoidance of doubt, subscription shares), the percentage of those voting rights::

- (a) reaches, exceeds, or falls below 3%, 4%, 5%, 6%, 7%, 8%, 9%, 10% and each 1% thereafter up to 100%; or
- (b) reaches, exceeds or falls below the above thresholds as a result of events changing the breakdown of voting rights and on the basis of information disclosed by the Company.

The proposed amendments to the Constitution are set out in full in Schedule 1. To assist Shareholders, a marked-up version of the Constitution showing the proposed amendments will be available on the Company's website at: <https://artemisresources.com.au/>. Shareholders are invited to contact the Company if they have any queries or concerns.

Resolution 2 is a special resolution. A special resolution is one of which notice must be given in accordance with section 249L(1)(c) of the Corporations Act (which requires the setting out of the intention to propose a special resolution, and a statement of the resolution) and which has to be passed by at least 75% of the votes cast by members entitled to vote on the resolution.

2.3 Board recommendation

The Board unanimously recommend that Shareholders approve Resolutions 1 and 2, as they will facilitate the AIM Listing and both allow the Company access to European capital markets and may provide additional liquidity.

3. Resolution 3 – Non-executive Directors' remuneration

ASX Listing Rule 10.17 provides that an entity must not increase the total aggregate amount of directors' fees payable to all of its non-executive directors without the approval of holders of its ordinary securities.

Clause 14.7 of the Constitution also requires that remuneration payable to the non-executive Directors will not exceed the sum initially set by the Constitution and subsequently increase by ordinary resolution of Shareholders in general meeting.

The maximum aggregate amount of fees payable to all of the non-executive Directors is currently set at \$150,000. Resolution 3 seeks Shareholder approval to increase this figure by \$150,000 to \$300,000.

This amount includes superannuation contributions made by the Company for the benefit of non-executive Directors and any fees which a non-executive Director agrees to sacrifice for other benefits. It does not include reimbursement of genuine out of pocket expenses, genuine "special exertion" fees paid in accordance with the Constitution, or securities issued to a non-executive Director under ASX Listing Rule 10.11 or 10.14 with approval of Shareholders.

The maximum aggregate amount of fees proposed to be paid to the non-executive Directors per annum has been determined after reviewing similar companies listed on ASX and the Directors believe that this level of remuneration is in line with corporate remuneration of similar companies.

The proposed limit is requested to ensure that the Company:

- (a) maintains its capacity to remunerate both existing and any new non-executive directors joining the Board;

- (b) remunerates its non-executive Directors appropriately for the expectations placed upon them both by the Company and the regulatory environment in which it operates; and
- (c) has the ability to attract and retain non-executive directors whose skills and qualifications are appropriate for a company of the size and nature of the Company.

In the past 3 years, the Company has issued a non-executive Director 10,000,000 Shares with prior Shareholder approval under ASX Listing Rules 10.11 and 10.14.

Given the interest of the non-executive Directors in this Resolution, the Board makes no recommendation to Shareholders regarding this Resolution.

4. Resolutions 4 and 5 – Issue of Related Party Options – Messrs Edward Mead and Daniel Smith

4.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue a total of 16,500,000 Options (**Related Party Options**) to Messrs Edward Mead and Daniel Smith (or their respective nominees) pursuant to the Company's Incentive Option Plan approved by Shareholders on 29 November 2017 (**Option Plan**) and otherwise on the terms and conditions set out below.

4.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company must obtain shareholder approval unless an exception applies; including where the benefit to give the remuneration would be reasonable given the company's and related party's circumstances (including the responsibilities involved in the office or employment).

The grant of the Related Party Options constitutes giving a financial benefit and Messrs Edward Mead and Daniel Smith are related parties of the Company by virtue of being Directors. However and upon the advice of BDO, an independent remuneration advisory firm, who consider the Related Party Options to be reasonable remunerations, the Company's Chairman, Sheikh Maktoum Hasher al Maktoum, has determined that Shareholder approval is not required under Chapter 2E of the Corporations Act. Nevertheless and as a matter of good corporate governance, the information required by Chapter 2E is included in this Explanatory Memorandum.

4.3 ASX Listing Rule 10.14

ASX Listing Rule 10.14 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of the director, or a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that approval should be obtained.

4.4 Shareholder Approval

Pursuant to Listing Rule 10.15, the following information is provided in relation to the proposed grant of Related Party Options:

- (a) the related parties are Messrs Edward Mead and Daniel Smith and they are related parties by virtue of being Directors (**Related Parties**);
- (b) the maximum number of Related Party Options (being the nature of the financial benefit being provided) to be granted to the Related Parties is 16,500,000 Related Party Options comprising:

- (i) 1,500,000 Class A Related Party Options, 1,500,000 Class B Related Party Options, 1,500,000 Class C Related Party Options, 1,500,000 Class D Related Party Options and 1,500,000 Class E Related Party Options to Mr Edward Mead (or his nominee) (Resolution 4); and
 - (ii) 3,000,000 Class A Related Party Options 1,000,000 Class B Related Party Options, 1,000,000 Class C Related Party Options, 1,000,000 Class D Related Party Options and 3,000,000 Class E Related Party Options to Mr Daniel Smith (or his nominee) (Resolution 5);
- (c) the Related Party Options will be granted as remuneration, and no funds will be raised;
 - (d) the Option Plan was approved by Shareholders on 29 November 2017. The following Options have been issued under the Options Plan to persons referred to in ASX Listing Rule 10.14 (i.e. a Director, an associate of the Director, or a person whose relationship with the Company, Director or associate of the Director is, in ASX's opinion, such that approval should be obtained):
 - (i) Edward Mead: 1,500,000 Options with exercise price of 44 cents before 30 June 2020.
 - (e) as at the date of this Notice, the Related Parties are the only persons covered by ASX Listing Rule 10.14 that the Board has declared to be eligible to be issued Options under the Option Plan (i.e. a Director, an associate of the Director, or a person whose relationship with the Company, Director or associate of the Director is, in ASX's opinion, such that approval should be obtained);
 - (f) no loan will be provided to the Related Parties with respect to the Related Party Options;
 - (g) the Related Party Options will be granted to the Related Parties (or their respective nominees) no later than 12 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Related Party Options will be issued on one date;
 - (h) the terms and conditions of the Related Party Options are set out in Schedule 2;
 - (i) the value of the Related Party Options and the pricing methodology is set out in Schedule 3;
 - (j) the relevant interests of the Related Parties in securities of the Company are set out below:

Director	Shares	Options	Performance Rights
Edward Mead	2,000,000 ²	1,500,000 ³	2,000,000 ⁴
Daniel Smith	-	-	-

Notes:

1. Held indirectly by Doralada Pty Ltd, an entity controlled by Mr Mead.
 2. Unlisted Options exercisable at 44 cents on or before 30 June 2020.
 3. Refer to the Company's notice of meeting for its general meeting held on 8 September 2017 for the terms and conditions of the Performance Rights.
- (k) the remuneration and emoluments from the Company to the Related Parties for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out below:

Director	Current Financial Year ending 30 June 2019	Previous Financial Year ending 30 June 2018
Edward Mead ³	\$300,000	\$250,727
Daniel Smith ⁴	\$50,000	-

Notes:

1. Mr Mead was appointed as Executive Director on 31 December 2014 and is currently paid a fee of \$25,000 per month.
2. Mr Smith was appointed as a Non-Executive Director on 5 February 2019 and is currently paid a non-executive director's fee of \$4,167 per month.

- (l) if the Related Party Options granted to the Related Parties are exercised, a total of 16,500,000 Shares would be issued. This will increase the number of Shares on issue from 661,991,065 (being the number of Shares on issue at the date of this Notice) to 678,491,065 (assuming that no other Options are exercised and no other Shares are issued) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of approximately 1.10% by Edward Mead and 1.30% by Daniel Smith.

The market price for Shares during the term of the Related Party Options would normally determine whether or not the Related Party Options are exercised. If, at any time any of the Related Party Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Related Party Options, there may be a perceived cost to the Company.

- (m) the highest and lowest closing prices of Shares on ASX during the 12 months preceding the date of this Notice, and the closing price on the trading day before the date of this Notice, are set out below:

	Price	Date
Highest	\$0.23	24 September 2018
Lowest	\$0.034	21 May 2019
Last	\$0.03	19 June 2019

- (n) the Board acknowledges the grant of the Related Party Options to Daniel Smith is contrary to Recommendation 8.2 of The Corporate Governance Principles and Recommendations (3rd Edition) as published by The ASX Corporate Governance Council. However, the Board considers the grant of these Related Party Options is reasonable in the circumstances for the reason set out in paragraph (p);
- (o) the primary purpose of the grant of the Related Party Options to Edward Mead and Daniel Smith is to provide a performance linked incentive component in their remuneration package, to motivate and reward their performance in their respective roles as Directors, and to align their interests with Shareholders;
- (p) Sheikh Maktoum Hasher al Maktoum (who will not receive any Related Party Options) recommends that Shareholders vote in favour of Resolutions 4 and 5 for the following reasons:

- (i) the grant of the Related Party Options will align the interests of the Directors with those of Shareholders;
 - (ii) the grant of the Related Party Options is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given; and
 - (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Related Party Options upon the terms proposed;
- (q) Edward Mead declines to make a recommendation to Shareholders in relation to Resolution 4 due to his material personal interest in the outcome of the Resolution on the basis that he (or his nominee) is to be granted Related Party Options in the Company should Resolution 4 be passed. However, in respect of Resolution 5, Edward Mead recommends that Shareholders vote in favour of the Resolution for the reasons set out in paragraph (p);
- (r) Daniel Smith declines to make a recommendation to Shareholders in relation to Resolution 5 due to his material personal interest in the outcome of the Resolution on the basis that he (or his nominee) is to be granted Related Party Options in the Company should Resolution 5 be passed. However, in respect of Resolution 4, Daniel Smith recommends that Shareholders vote in favour of the Resolution for the reasons set out in paragraph (p);
- (s) in forming their recommendations, each Director considered the experience of each other Director, the market price of Shares, the current market practices when determining the number of Related Party Options to be granted as well as the exercise price and expiry date of those Related Party Options; and
- (t) the Board is not 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 and 5.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Related Party Options to the Related Parties (or their nominees) as approval is being obtained under ASX Listing Rule 10.14. Accordingly, the issue of the Related Party Options will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

5. **Resolution 6 – Ratification of prior issue of securities under 2018 Funding Agreement**

5.1 **General**

On 30 November 2018, the Company announced that it had entered into a funding agreement (**2018 Funding Agreement**) with London institutional group, Riverfort Global Capital Limited and YA II PN, Ltd (**Investors**) pursuant to which the Company secured US\$3,931,681 in funding through the issue of convertible notes (**Convertible Notes (2018)**) to the Investors. The 2018 Funding Agreement was subsequently varied on 24 May 2019, with, amongst other things, the issue of further securities (the subject of Resolution 10).

The key terms of the 2018 Funding Agreement are set out in Schedule 4.

On 30 November 2018, the Company issued:

- (a) 3,931,681 Convertible Notes (2018);

- (b) 10,000,000 Shares; and
- (c) 8,571,429 unlisted Options (exercisable \$0.21 and expiring 30 November 2021) (**Funding Agreement (2018) Options**),

to the Investors in accordance with the terms of the 2018 Funding Agreement.

On 24 May 2019 the Company agreed to vary the 2018 Funding Agreement.

Resolution 6 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those securities issued under the 2018 Funding Agreement on 30 November 2018.

A summary of ASX Listing Rule 7.1 is set out in Section 1.1. ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1, and the Convertible Notes (2018) and Funding Agreement (2018) Options can be converted to Shares without using the 15% capacity or further Shareholder approval.

The number of Shares to be issued on conversion of Notes is dependent upon the then prevailing Company's Share price and the \$US:\$A exchange rate and is capped (without prior Shareholder approval) at 36,171,466 Shares. Following are 3 worked examples of the number of Shares to be issued and dilution to existing Shareholders, assuming the remaining Convertible Notes (2018) issued under the 2018 Investment Agreement (3,931,681 Convertible Notes (2018)) are converted:

5 day VWAP	Exchange Rate (One \$A equals)					
	US\$0.675		\$US0.70		\$US0.725	
	Number	% ¹	Number	% ¹	Number	% ¹
\$0.015 (half current Share price)	388,314,173	37	374,445,810	36	361,533,885	35
\$0.030 (current share price)	194,157,086	23	187,222,905	22	180,766,943	21
\$0.060 (double current share price)	97,078,543	13	93,611,452	12	90,383,471	12

¹ Dilution of existing Shareholders, assuming no other Shares are issued prior to conversion. The Company is at the Meeting seeking Shareholder approval to issue Shares under the AIM Listing, SPP underwriting and Top-Up Placement. These issues will, if they occur, reduce the dilutive effect of the issue of Shares under the Convertible Notes (2018).

5.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 6:

- (a) Number of securities issued:
 - (i) 3,931,681 Convertible Notes (2018);

- (ii) 10,000,000 Shares
 - (iii) 8,571,429 Funding Agreement (2018) Options;
- (b) The issue price of the securities was as follows:
- (i) Convertible Notes (2018) were issued with a face value of \$1.00 each;
 - (ii) Shares and Funding Agreement (2018) Options were issued for nil cash consideration as follows:
 - (A) 5,000,000 Shares were issued to Riverfort Global Capital Limited (or its nominee/s) as an implementation fee under the 2018 Funding Agreement;
 - (B) 5,000,000 Shares were issued to YA II PN, Ltd (or its nominee/s) as collateral under the 2018 Funding Agreement; and
 - (C) 3,428,572 Funding Agreement (2018) Options and 5,142,857 Funding Agreement (2018) Options were issued to Riverfort Global Capital Limited (or its nominee/s) and to YA II PN, Ltd (or its nominee/s) respectively as consideration for the funding provided under the 2018 Funding Agreement;
- (c) Terms of securities:
- (i) The terms of the Convertible Notes (2018) are set out in Schedule 4;
 - (ii) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
 - (iii) the terms and conditions of the Funding Agreement (2018) Options are set out in Schedule 5;
- (d) The securities issued under the 2018 Funding Agreement were issued to the Investors, who are not related parties of the Company;
- (e) Funds raised from the issue of Convertible Notes (2018) were used for further development of the Fox Radio Hill Processing Plant and working capital. The Shares and Funding Agreement (2018) Options were issued to the Investors in consideration for the funding provided under the 2018 Funding Agreement, and no fund were raised from the issue of these securities; and
- (f) A voting exclusion statement is included in the Notice of Meeting.

5.3 Directors' recommendation

The Directors unanimously recommend that Shareholders approve Resolution 6 as it will refresh the Company's 15% capacity and allow Shares to be issued on conversion of the Convertible Notes (2018) and Funding Agreement (2018) Options without using the 15% capacity.

6. Resolution 7 – Ratification of prior issue of Shares under ASX Listing Rule 7.1

6.1 General

On 30 November 2018, the Company issued 500,000 Shares in consideration for services provided by Alastair Clayton.

Resolution 7 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares.

A summary of ASX Listing Rules 7.1 and 7.4 is set out in Sections 1.1 and 5.1 respectively.

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

6.2 Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 7:

- (a) 500,000 Shares were issued;
- (b) the Shares were issued for nil cash consideration in satisfaction of services provided by Alastair Clayton;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to Alastair Clayton, who is not a related party of the Company;
- (e) no funds were raised from the issue as the Shares were issued in consideration for services provided by Alastair Clayton; and
- (f) a voting exclusion statement is included in the Notice of Meeting.

6.3 Directors' recommendation

The Directors unanimously recommend that Shareholders approve Resolution 7 as it will refresh the Company's 15% capacity.

7. Resolutions 8 and 9 – Ratification of prior issue of securities under 2017 Funding Agreement and Shares issued upon conversion

7.1 General

On 11 December 2017 the Company entered into a US\$4.5 million loan and convertible note agreement with the Investors (**2017 Investment Agreement**). A total of 4,500,000 convertible notes each with a face value of US\$1 (**Convertible Notes (2017)**) and 5,439,858 Options (exercisable \$0.4538 and expiring 31 January 2021) (**Funding Agreement (2017) Options**) were issued under the 2017 Investment Agreement using the Company's then 15% capacity and without prior Shareholder approval. Since issue and as a result of conversion or redemption, 242,232 Convertible Notes (2017) remain on issue.

Schedules 6 and 7 set out the terms of the Convertible Notes (2017) and 2017 Funding Agreement Options respectively.

Resolution 8 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of these 2017 Convertible Notes and Funding Agreement (2017) Options. Ratification will allow the Company to issue Shares on conversion of the Convertible Notes (2017) and exercise of the 2017 Funding Agreement Options without using its capacity under Listing Rule 7.1.

A summary of ASX Listing Rules 7.1 and 7.4 is set out in Sections 1.1 and 5.1 respectively.

The number of Shares to be issued on conversion of Convertible Notes (2017) is dependent upon the then prevailing Company's Share price and the \$US:\$A exchange rate, and is capped (without prior Shareholder approval) at 21,791,454 Shares. Following are 3 worked examples of the number of Shares to be issued and dilution to existing Shareholders, assuming the remaining Convertible Notes (2017) issued under the 2017 Investment Agreement (242,232 Convertible Notes (2017)) are converted:

5 day VWAP	Exchange Rate (One \$A equals)					
	US\$0.675		\$US0.70		\$US0.725	
	Number	% ¹	Number	% ¹	Number	% ¹
\$0.015 (half current Share price)	23,924,148	3	23,069,714	3	22,274,207	3
\$0.030 (current share price)	11,962,074	2	11,534,857	2	11,137,103	2
\$0.060 (double current share price)	5,981,037	1	5,767,429	1	5,568,552	1

¹ Dilution of existing Shareholders, assuming no other Shares are issued prior to conversion other than as set out above. The Company is at the Meeting seeking Shareholder approval to issue Shares under the AIM Listing, SPP underwriting and Top-Up Placement. These issues will, if they occur, reduce the dilutive effect of the issue of Shares under the Convertible Notes (2017).

Resolution 9 seeks ratification of the following Share issues upon conversion of Convertible Notes (2017):

- (a) 3,173,233 Shares issued on 15 February 2019;
- (b) 2,140,747 Shares issued on 13 March 2019;
- (c) 4,037,617 Shares issued on 19 March 2019 and
- (d) 3,845,698 Shares issued on 27 March 2019.

7.2 Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 8:

- (a) 4,500,000 Convertible Notes (2017) and 5,439,858 Funding Agreement (2017) Options were issued.
- (b) The Convertible Notes were issued for a face value of US\$1.00 each. The Funding Agreement (2017) Options were issued in consideration for the 2017 Funding Agreement and had no issue price.
- (c) The terms of the Convertible Notes (2017) and Funding Agreement (2017) Options are set out in Schedules 6 and 7 respectively.
- (d) The Shares were issued to the Investors, who were not related parties of the Company.
- (e) Funds raised from the issue were used to assist with the Radio Hill Processing Plant refurbishment and upgrade programs.

- (f) A voting exclusion clause is in the Notice of Meeting.

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 9:

- (g) Number of securities issued and conversion price
- (i) 3,173,233 Shares issued on 15 February 2019 at a conversion price of \$0.0708 per Share to convert 150,000 Convertible Notes (2017) (with a total face value of US\$150,000);
 - (ii) 2,140,747 Shares issued on 13 March 2019 at a conversion price of \$0.066 per Share to convert 100,000 Convertible Notes (2017) (with a total face value of US\$100,000);
 - (iii) 4,037,617 Shares issued on 19 March 2019 at a conversion price of \$0.053 per Share to convert 150,000 Convertible Notes (2017) (with a total face value of US\$150,000); and
 - (iv) 3,845,698 Shares issued on 27 March 2019 at a conversion price of \$0.053 per Share to convert 143,478 Convertible Notes (2017) (with a total face value of US\$143,478.
- (h) The securities issued were fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
- (i) The Shares were issued to the Investors, who were not related parties to the Company.
- (j) The Shares were issued in conversion of Convertible Notes (2017) with face values as set out above, and no funds were raised from the issues.
- (k) A voting exclusion statement is in the Notice of Meeting.

7.3 Directors' recommendation

The Directors unanimously recommend that Shareholders approve Resolutions 8 and 9 as they will refresh the Company's 15% capacity and allow Shares to be issued on conversion/exercise of the Convertible Notes (2017) and Funding Agreement (2017) Options without using the Company's 15% capacity.

8. Resolution 10 – Issue of Variation Securities – Investors

8.1 General

As announced to ASX on 23 May 2019, the Company has entered into deed of variations to the 2017 Funding Agreement (**2017 Deed of Variation**) and the 2018 Funding Agreement (**2018 Deed of Variation**) (together the **Deeds of Variation**). The effect of the Deeds of Variation was to extend the maturity dates to 31 January 2020 and limit the Investors' ability to redeem or convert Convertible Notes.

Under the Deeds of Variation and subject to Shareholder approval, the Company has agreed to issue the following securities (together the **Variation Securities**):

- (a) 5,803 Convertible Notes (2017), 1,082,475 Options to YA II PN, Ltd under the 2017 Deed of Variation; and

- (b) 94,197 Convertible Notes (2018), 10,840,505 Options to YA II PN, Ltd and 6,729,195 Options to Riverfort Global Capital Limited under the 2018 Deed of Variation.

The Options have an exercise price of \$0.08 and expiry date of 3 years from the date of issue, and are otherwise on the same terms as existing Options issued under the 2017 Funding Agreement and 2018 Funding Agreement respectively.

Resolution 10 seeks Shareholder approval for the issue of the Variation Securities to the Investors in satisfaction of the Company's obligations under the Deeds of Variation.

A summary of ASX Listing Rule 7.1 is set out in Section 1.1.

The number of Shares to be issued on conversion of additional Convertible Notes (2017) and Convertible Notes (2018) issued under the Deeds of Variation is dependent upon the then prevailing Company's Share price and the \$US:\$A exchange rate, and is capped at (without prior Shareholder approval) at 21,791,454 Shares and 36,171,466 Shares respectively under the 2017 Investment Agreement and 2018 Investment Agreement (as varied by the Deeds of Variation) respectively. Following are 3 worked examples of the number of Shares to be issued, assuming the Convertible Notes issued under the Funding Agreements are first issued but no other Shares are issued:

5 day VWAP	Exchange Rate (One \$A equals)					
	US\$0.675		\$US0.70		\$US0.725	
	Number	% ¹	Number	% ¹	Number	% ¹
\$0.015 (half current Share price)	9,876,543	1	9,523,810	1	9,195,402	1
\$0.030 (current share price)	4,938,272	1	4,761,905	1	4,597,701	1
\$0.060 (double current share price)	2,469,136	0	2,380,952	0	2,298,851	0

¹ Dilution of existing Shareholders, assuming no other Shares are issued prior to conversion other than as set out above. The Company is at the Meeting seeking Shareholder approval to issue Shares under the AIM Listing, SPP underwriting and Top-Up Placement. These issues will, if they occur, reduce the dilutive effect of the issue of Shares under the Deeds of Variation (including Shares issued on conversion of Convertible Notes).

The effect of Resolution 10 will be to allow the Company to issue the Variation Securities to the Investors (or their nominees) during the period of 3 months after the Meeting (or a longer period, if allowed by ASX) and for the conversion of those securities to Shares at any time thereafter, without using the Company's 15% annual placement capacity.

8.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 10:

- (a) the maximum number of Variation Securities to be issued is 18,652,175 comprising:
- (i) 63,923 Convertible Notes, comprising 5,803 Convertible Notes (2017) and 58,120 Convertible Notes (2018) and 11,922,980 Funding Agreement Variation Options to YA II PN, Ltd (or its nominees); and

- (ii) 36,077 Convertible Notes (2017) and 6,729,195 Funding Agreement Variation Options to Riverfort Global Capital Limited (or its nominees);
- (b) the Variation Securities will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Variation Securities will occur on the same date;
- (c) the Variation Securities will be issued for nil cash consideration in satisfaction of the Company's obligations under the Deeds of Variation;
- (d) the Variation Securities will be issued to the Investors (or their nominees), who are not related parties of the Company;
- (e) the Variation Securities will be issued on the terms and conditions set out in Schedule 4 to 7; and
- (f) no funds will be raised from the issue as the Variation Securities are being issued in satisfaction of the Company's obligations under the Deeds of Variation.

8.3 Directors' recommendation

The Directors unanimously recommend that Shareholders approve Resolution 10 as it will allow the Company to issue the Funding Agreement Variation Options as required under the Deeds of Variation.

9. Resolutions 11 to 14 – Share Purchase Plan

9.1 Background

On 14 June 2019, the Company announced an offer of Shares pursuant to a share purchase plan (**SPP**) at an issue price of Shares of not less than 80% of the volume weighted average market price of Shares over the last 5 days on which sales were recorded before the day on which the issue is made (**SPP Issue Price**).

The timetable for the SPP is as follows:

Record date to determine eligibility	13 June 2019
Opening Date	20 June 2019
Closing Date	23 July 2019
Issue of Shares under SPP	31 July 2019

The above timetable is indicative and subject to change, subject to the Listing Rules.

The SPP is underwritten by Patersons Securities Limited (**Patersons**) for \$1,500,000 and, subject to Shareholder approval (to be sought under Resolution 13), sub-underwritten by Sheikh Maktoum Hasher al Maktoum for \$750,000 (**Sub-underwriting**) (the underwriting arrangements are together the **SPP Underwriting Arrangements**).

Additionally, with Patersons as Lead Manager and subject to Shareholder approval (to be sought under Resolution 12), the Company may undertake an offer of Shares to sophisticated investors at the same price as under the SPP to raise up to a further \$1,500,000 (**Top-Up Placement**).

Patersons will be paid an underwriting fee of 6% and 10,000,000 Underwriter Options (the subject of Resolution 14).

The Issue Price will be determined using the volume weighted average market price (as defined in the Listing Rules) of Shares over the last 5 days on which sales were recorded before the day on which the issue is made. Following is a table that sets out the dilution effect of the SPP and Top-Up Placement (assuming no other Shares are issued):

5 day VWAP	Amount raised under SPP and Top-Up Placement					
	\$1,500,000		\$2,250,000		\$3,000,000	
	Number of Shares issued	Dilution %	Number of Shares issued	Dilution %	Number of Shares issued	Dilution %
\$0.015 (half current Share price)	100,000,000	13	150,000,000	18	200,000,000	23
\$0.030 (current share price)	50,000,000	7	75,000,000	10	100,000,000	13
\$0.060 (double current share price)	25,000,000	4	37,500,000	5	50,000,000	7

Following is a table that sets out the number of Shares that may be issued to Sheikh Maktoum Hasher al Maktoum under the Underwriting Arrangements and the dilution effect of the issue:

5 day VWAP	Amount subscribed for by the Sub-underwriter					
	\$400,000		\$600,000		\$750,000	
	Number of Shares issued	Dilution %	Number of Shares issued	Dilution %	Number of Shares issued	Dilution %
\$0.015 (half current Share price)	26,666,667	4	40,000,000	6	50,000,000	7
\$0.030 (current share price)	13,333,333	2	20,000,000	2	25,000,000	3
\$0.06 (double current share price)	6,666,667	1	10,000,000	1	12,500,000	2

The above tables assume that no further Shares are issued (including under the SPP). Any Shares issued (including for example under the SPP or Top-Up Offer) will reduce the dilutive effect of issuing Shares to Sheikh Maktoum Hasher al Maktoum.

9.2 Listing Rules

The issue of Shares under the SPP does not require Shareholder approval as they will be issued pursuant to Exception 15 of ASX Listing Rule 7.2. However, the issue of Shares to the Underwriter and under the Top-Up Placement require Shareholder approval pursuant to ASX Listing Rule 7.1, and

the issue of Shares to Sheikh Maktoum Hasher al Maktoum under his sub-underwriting commitment requires Shareholder approval under Listing Rule 10.11.

The effect of Resolutions 11 and 12 will be to allow the Company to issue the Shares to the Underwriter or its nominees (other than Sheikh Maktoum Hasher al Maktoum, who is the subject of Resolution 13) and under the Top-Up Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

The effect of Resolution 13 is to allow the Company to issue Shares to Sheikh Maktoum Hasher al Maktoum under his sub-underwriting of the SPP. ASX has granted a waiver of Listing Rule 10.13.5 (which requires a notice of meeting seeking shareholder approval to issue securities to a related party to include the security's issue price) so that this Explanatory Memorandum can state the formula by which the issue price is calculated, rather than the issue price..

9.3 Resolution 11 - Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 11:

- (a) the maximum number of Shares to be issued (excluding Shares the subject of Resolution 13) is equal to \$1,500,000 divided by the Issue Price;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares to the Underwriter will occur on the same date;
- (c) the issue price of the Shares will be equal to the SPP Issue Price, being 80% of the volume weighted average market price of Shares over the last 5 days on which sales were recorded before the day on which the issue is made;
- (d) the Shares will be issued to Patersons or its nominees (clients of Patersons), who are not related parties of the Company;
- (e) the Shares proposed to be issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (a) the Company intends to use 30% funds raised towards redeeming Convertible Notes, further exploration to expand the resource at Carlow Castle and prepare a pre-feasibility study, and the balance for working capital; and
- (b) a voting exclusion statement is in the Notice of Meeting.

9.4 Resolution 12 - Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 12:

- (f) the maximum number of Shares to be issued under the Top-Up Placement is equal to \$1,500,000 divided by the SPP Issue Price;
- (g) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares to the Underwriter will occur on the same date;
- (h) the issue price of the Shares will be 80% of the volume weighted average market price of Shares over the last 5 days on which sales were recorded before the day on which the issue is made;

- (i) the Shares will be issued to clients of Patersons, who are not related parties of the Company;
- (j) the Shares proposed to be issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (c) the Company intends to use 30% of the funds raised towards redeeming Convertible Notes, further exploration to expand the resource at Carlow Castle and prepare a pre-feasibility study, and the balance for working capital.

9.5 Directors' recommendation

The Directors unanimously recommend that Shareholders approve Resolutions 11 and 12 as the Top-Up Offer is conditional upon Shareholder approval and approving the issue of Shares to the Underwriter and its nominees under the SPP will refresh the Company's 15% capacity.

9.6 Resolution 13 – Issue of Shares to a related party – Sub-underwriting of SPP – Sheikh Maktoum Hasher al Maktoum

Resolution 13 seeks Shareholder approval for the issue of Shares to Sheikh Maktoum Hasher al Maktoum for the sub-underwriting of \$750,000 of the SPP (**Sub-underwriting**). Sheikh Maktoum Hasher al Maktoum will not receive any sub-underwriting fee for his commitment.

A summary of Listing Rule 10.11 is set out in section 5.1.

Messrs Mead and Smith, who do not have a material personal interest in the proposed issue, have determined that, as the issue terms are the same as offered to all Shareholders under the SPP, the issue is reasonable in the circumstances as if the Company and Sheikh Maktoum Hasher al Maktoum were dealing at arm's length.

9.7 Resolution 13 - Technical information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to Resolution 13:

- (a) the Shares will be issued to the Sub-underwriter (or his/its nominees), who is a Director;
- (b) the maximum number of Shares to be issued is equal to \$750,000 divided by the issue price of those Shares (as described below);
- (c) the Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (d) the issue price of the Shares will be the same as the SPP Issue Price, being not less than 80% of the volume weighted average market price of Shares over the last 5 days on which sales were recorded before the day on which the issue is made;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the Company intends to use the funds raised towards further exploration at Carlow Castle to expand the resource and undertake a pre-feasibility study, exploration at the Armada prospect, working capital and 30% towards redeeming Convertible Notes.

As noted above, ASX has granted a waiver of Listing Rule 10.13.5 so that this Explanatory Memorandum can state the formula by which the issue price is calculated, rather than the issue price. The terms of the waiver are as follows:

- (a) This Explanatory Memorandum state that the Shares to be issued the Sub-underwriter (**Shortfall Shares**) will be issued at an issue price not less than 80% of the VWAP of the Company's Shares over the last 5 trading days prior to the issue date.
- (b) This Explanatory Memorandum includes worked examples of the dilution that will occur to existing Shareholders as a result of the issue of the Shortfall Shares at three different prices.
- (c) The terms of the waiver are disclosed in this Explanatory Memorandum.

Approval pursuant to ASX Listing Rule 7.1 is not required for the Shares as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares to the Sub-underwriter will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

The Directors (other than Sheikh Maktoum Hasher al Maktoum who has a material personal interest in Resolution 13) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 13 because the Shares will be issued to the Sub-underwriter are on the same terms as Shares issued to non-related party participants in the SPP and no sub-underwriting fee will be received, and as such the giving of the financial benefit is on arm's length terms.

9.8 Resolution 14 – Issue of Underwriter Options – Patersons Securities Limited

Resolution 14 seeks Shareholder approval for the issue of 10,000,000 Options (**Underwriter Options**) to Patersons (or its nominees) in part consideration for underwriting the SPP up to \$1,500,000. The Underwriter Options have an exercise price of \$0.08 and expire 36 months from issue.

The Company has agreed to, in the event Shareholders do not approve the issue of Underwriter Options, pay Patersons \$50,000.

A summary of ASX Listing Rule 7.1 is set out in Section 1.1.

The effect of Resolution 14 will be to allow the Company to issue the Underwriter Options to Patersons (or its nominees) during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity. Furthermore, failing to approve the issue of the Underwriter Options will require the Company to pay Patersons \$50,000.

9.9 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 14:

- (a) the maximum number of Underwriter Options to be issued is 10,000,000;
- (b) the Underwriter Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Underwriter Options will occur on the same date;
- (c) the Underwriter Options will be issued as part consideration for underwriting services provided by Patersons and for nil cash consideration;
- (d) the Underwriter Options will be issued to Patersons (or its nominees), who is not a related party of the Company;
- (e) the Underwriter Options will be issued on the terms and conditions set out in Schedule 8; and

- (f) no funds will be raised from the issue as the Underwriter Options are being issued as consideration for underwriting services provided by Patersons.

10. Resolution 15 – Issue of Advisor Options – Bennelong Limited

10.1 General

Resolution 15 seeks Shareholder approval for the issue of 10,000,000 Advisor Options to Bennelong Limited (or its nominees) in consideration for corporate advisory services provided by Bennelong Limited.

A summary of ASX Listing Rule 7.1 is set out in Section 1.1.

The effect of Resolution 15 will be to allow the Company to issue the Advisor Options to Bennelong Limited (or its nominees) during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

10.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 15:

- (a) the maximum number of Advisor Options to be issued to Bennelong Limited is 10,000,000;
- (b) the Advisor Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Advisor Options will occur on the same date;
- (c) the Advisor Options will be issued for nil cash consideration in satisfaction of corporate advisory services provided by Bennelong Limited;
- (d) the Advisor Options will be issued to Bennelong Limited (or its nominees), who is not a related party of the Company;
- (e) the Advisor Options will be issued on the terms and conditions set out in Schedule 9; and
- (f) no funds will be raised from the issue as the Advisor Options are being issued as consideration for corporate advisory services provided by Bennelong Limited; and
- (g) a voting exclusion statement is included in the Notice of Meeting.

Glossary

\$ means Australian dollars.

2017 Funding Agreement has the meaning given to it in Section 7.1.

2018 Funding Agreement has the meaning given to it in Section 5.1.

Advisor Options means an Option on the terms and conditions set out in Schedule 9.

AIM Listing has the meaning given in section 1.1.

AIM Listing Issue Price has the meaning given in section 1.3(c).

ASIC means the Australian Securities & Investments Commission.

ASX means **ASX Limited** (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

Class A Related Party Options means an Option on the terms and conditions set out in Schedule 1.

Class B Related Party Options means an Option on the terms and conditions set out in Schedule 1.

Class C Related Party Options means an Option on the terms and conditions set out in Schedule 1.

Class D Related Party Options means an Option on the terms and conditions set out in Schedule 1.

Class E Related Party Options means an Option on the terms and conditions set out in Schedule 1.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company or **Artemis** means Artemis Resources Limited (ACN 107 051 749).

Constitution means the Company's constitution.

Convertible Notes means the convertible notes issued by the Company pursuant to the 2018 Funding Agreement or the 2017 Funding Agreement (as the context requires) and with the key terms and conditions set out in Schedules 4 and 6.

Convertible Notes (2017) has the meaning given in section 7.1 and which have the terms set out in schedule 6.

Convertible Notes (2018) has the meaning given in section 5.1 and which have the terms set out in schedule 4.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

First Deed of Variation has the meaning given to it in Section 8.1.

Funding Agreement means either the 2017 Funding Agreement and the 2018 Funding Agreement or both as the context requires.

Funding Agreement (2017) Options has the meaning given in section 7.1 and which have the terms set out in schedule 7.

Funding Agreement (2018) Options has the meaning given in section 7.1 and which have the terms set out in schedule 5.

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

Investors means Riverfort Global Capital Limited and YA II PN, Ltd.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

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

Option means an option to acquire a Share.

Option Plan means the employee incentive plan titled "Artemis Incentive Option Plan" adopted pursuant to Shareholder approval obtained at the Company's annual general meeting held on 29 November 2017.

Performance Rights means performance rights issued by the Company with the terms and conditions set out in the Company's notice of meeting for its general meeting held on 8 September 2017.

Proxy Form means the proxy form accompanying the Notice.

Related Party Options means the Class A, Class B, Class C, Class D and Class E Related Party Options.

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

Riverfort Global Capital Limited means Riverfort Global Opportunities PCC Ltd (Cell A), a company incorporated in Gibraltar and whose principal office is at Suite 741c, Europort, Gibraltar GX11 1AA.

Schedule means a schedule to this Notice.

Second Deed of Variation has the meaning given to it in Section 8.1.

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

SPP has the meaning given in section 9.1.

SPP Issue Price has the meaning given in section 9.1.

SPP Underwriting Arrangements has the meaning given in section 9.1.

Top-Up Placement has the meaning given in section 9.1.

Underwriter means Patersons Securities Limited.

Underwriter Options means an Option on the terms section schedule 8.

YA II PN, Ltd means YA II PN, Ltd of 1012 Springfield Ave, Mountainside, New Jersey 07092.

Schedule 1 – Amendments to the Constitution

The Constitution is amended by adding the following definitions into clause 1.1:

1.1 Definitions

CREST means the CREST settlement system in the United Kingdom operated by Euroclear UK & Ireland Limited or any successor regime where the Shares are admitted to trading on AIM.

Depository means a custodian or other person (or a nominee or other person) appointed under contractual arrangements with the Company or other arrangements approved by the Directors whereby such custodian or other person or nominee holds or is interested in Shares or rights or interests in Shares and issues securities or other documents of title otherwise evidencing the entitlement of the holder thereof to or to receive such Shares, rights or interests provided and to the extent that such arrangements have been approved by the Directors for the purpose of this Constitution.

Depository Interest means securities or other documents of title otherwise evidencing the entitlement of the holder thereof to or to receive Shares or rights or interests in Shares, issued by a Depository.

DI Holder means a holder of Depository Interests.

FCA means the Financial Conduct Authority, a financial regulatory body in the United Kingdom.

Qualifying Financial Instruments means any financial instruments which:

- (a) on maturity give the holder, under a formal agreement, either the unconditional right to acquire or the discretion as to the holder's right to acquire, Shares to which voting rights are attached and are already issued; or
- (b) are not included in (a) but which are referenced to Shares referred to in (a) and with economic effect similar to that of the financial instruments referred to in (a), whether or not they confer a right to a physical settlement

Regulatory Information Service means a service approved by the FCA for the distribution to the public of regulatory announcements and included within the list maintained on the FCA's website, <http://www.fca.org.uk/>.

Relevant System means a relevant computer based system and procedures which enable title to units a security to be evidenced and transferred without a written instrument of transfer, including CREST and CHES.

The Constitution is amended by inserting the following new clause 10A:

10A. DISCLOSURE OF INTERESTS IN SHARES

10A.1 This clause 10A only applies while the Company is admitted to AIM.

10A.2 A person (other than a Depository) must notify the Company of the percentage of its voting rights if, at the date on which this clause 10A comes into force, the percentage of voting rights which he or she holds as Shareholder or DI Holder or through his or her direct or indirect holding of Qualifying Financial Instruments (or a combination of such holdings) has reached or exceeded 3%, 4%, 5%, 6%, 7%, 8%, 9%, or 10% and each 1% threshold thereafter up to 100%.

10A.3 A person (other than a Depository) must notify the Company of the percentage of its voting rights if, at any time after the date on which this clause 10A comes into force, the percentage

of voting rights which he or she holds as Shareholder or DI Holder or through his or her direct or indirect holding of Qualifying Financial Instruments (or a combination of such holdings):

- (a) reaches, exceeds or falls below 3%, 4%, 5%, 6%, 7%, 8%, 9%, or 10% and each 1% threshold thereafter up to 100%, or
- (b) reaches, exceeds or falls below an applicable threshold in clause 10.2A(a) as a result of events changing the breakdown of voting rights and on the basis of information disclosed by the Company in accordance with clause 10.3A.

10A.4 The Company must, at the end of each calendar month during which an increase or decrease has occurred, disclose to the public the total number of voting rights and capital in respect of each class of Share which it has on issue.

10A.5 A notification given in accordance with clause 10A.2 or 10A.3 shall include the following information:

- (a) the percentage of voting rights held, and the resulting situation in terms of voting rights and the date on which the relevant threshold was reached or crossed;
- (b) if applicable, the chain of controlled undertakings through which voting rights are effectively held;
- (c) so far as known to him or her, the identity of the Shareholder, even if that Shareholder is not entitled to exercise voting rights and of the person entitled to exercise voting rights on behalf of that Shareholder;
- (d) the price, amount and class of Shares or Depository Interests concerned;
- (e) the nature of the transaction giving rise to the notification;
- (f) in the case of a holding of Qualifying Financial Instruments:
 - (i) for Qualifying Financial Instruments with an exercise period, an indication of the date or time period where Shares will or can be acquired, if applicable;
 - (ii) the date of maturity or expiration of the Qualifying Financial Instruments;
 - (iii) the identity of the holder;
 - (iv) the name of the underlying company;
 - (v) the detailed nature of the Qualifying Financial Instruments, including full details of the exposure to Shares; and
 - (vi) any other information required by the Company.

10.6A An obligation to give a notice to the Company under clause 10A.2 or 10A.3 shall be fulfilled forthwith and without delay.

- 10.7A The Company shall on receipt of a notification and without delay deliver an announcement detailing all the information contained in the notification to a Regulatory Information Service for distribution to the public.

Schedule 2 – Terms and conditions of Related Party Options

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.08 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 15 May 2022 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on and from the:

- (i) **Class A:** commissioning of the Radio Hill Gekko Gravity Gold Plant for commercial processing of ore by Artemis or to toll treatment ore for third parties;
- (ii) **Class B:** the Company completing a pre-feasibility study in compliance with the JORC Code (2012) in relation to its Carlow Castle Project on E47/1797 (or mining licence over part of this tenement), which supports a mine life reserve of not less than 5 years;
- (iii) **Class C:** the Company announces a JORC Code (2012) compliant mineral resource of at least 15mt (million tonnes) at 1 g/t Au (Au grams per tonne) in relation to its Carlow Castle Project;
- (iv) **Class D:** the Company announces a JORC Code (2012) compliant mineral resource of at least 1moz (million ounces) of 1.5 g/t gold equivalent (Au and Cu) in relation to its Carlow Castle Project; and
- (v) **Class E:** the Company being admitted to AIM and raising a minimum of \$5,000,000 from the issue of equity securities in the AIM market,

until the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Following the Exercise Date and within the time period specified by the ASX Listing Rules, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the

number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of a holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price or number of underlying securities**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are not transferable.

(m) **Rules of Incentive Option Plan**

The rules of the Incentive Option Plan are incorporated into the terms and conditions of these Options.

Schedule 3 – Valuation of Related Party Options

The Related Party Options to be issued pursuant to Resolutions 4 and 5 have been valued by BDO Corporate Finance (WA) Pty Limited.

Using the Black & Scholes option model and based on the assumptions set out below, the Related Party Options were ascribed the following value:

Assumptions	
Valuation date	2 June 2019
Market price of Shares	\$0.036
Exercise price	\$0.08
Expiry date	15 May 2022
Risk free interest rate	1.13%
Volatility	100%
Indicative value per Related Party Option	\$0.0165
Total Value of Related Party Options	\$272,250
- Edward Mead	\$24,750 (Class A Related Party Options)
	\$24,750 (Class B Related Party Options)
	\$24,750 (Class C Related Party Options)
	\$24,750 (Class D Related Party Options)
	\$24,750 (Class E Related Party Options)
- Daniel Smith	\$49,500 (Class A Related Party Options)
	\$16,500 (Class B Related Party Options)
	\$16,500 (Class C Related Party Options)
	\$16,500 (Class D Related Party Options)
	\$49,500 (Class E Related Party Options)

Note: The valuation noted above is not necessarily the market price that the Related Party Options could be traded at and is not automatically the market price for taxation purposes.

Schedule 4 – Key terms and conditions of Convertible Notes (2018)

- **Convertible Notes:** 3,931,681 with an aggregate Face Value of US\$3,931,681.
- **Face Value and Purchase Price:** US\$1.00 per Convertible Note.
- **Interest:** No interest payable on the Convertible Notes.
- **Maturity Date:** 10 January 2020.
- **Collateral Shares:** The Company has issued 5,000,000 Shares to the Investor. The Investor must, in the event no amounts are owing under the agreement upon maturity, pay the Company 95% of the value of the Shares, Where under the agreement the Company is required to issue Shares to the Investor, but fails to do so, the Investor may elect to have that obligation satisfied by reducing the number of collateral shares to be held.
- **Conversion:** Subject to the Maximum Issue (defined below), the Investor may elect to convert the Convertible Notes (other than those for which Artemis has given notice of early redemption) at either:
 - a **Fixed Conversion Price** of A\$0.08; or
 - a **Variable Conversion Price** of the lesser of the Fixed Conversion Price and 94% of the average of the 3 lowest daily VWAP's during the 10 trading days immediately prior to the date that notice of conversion is given by the Investor.

Subject to an event of default occurring, the Investor may only give Conversion Notices specifying the Variable Conversion Price after 30 June 2019, provided that:

- if at least 350,000 Convertible Securities in the aggregate between the Funding Agreement (2017) and the Funding Agreement (2018) have been redeemed by 30 June 2019, then the Investor may only give Conversion Notices specifying the Variable Conversion Price after 30 September 2019, and
- if at least an additional 2,100,000 Convertible Securities in the aggregate between the Funding Agreement (2017) and the Funding Agreement (2018) have been redeemed by 30 September 2019, then the Investor may only give Conversion Notices specifying the Variable Conversion Price after 1 October 2019.

Subject to an event of default occurring, the Investor may only convert 350,000 Convertible Notes between the Funding Agreement (2017) and the Funding Agreement (2018) per calendar month.

- **Redemption – before Maturity :** Artemis may at any time elect to redeem some or all of the Convertible Notes (other than those for which the Investor has given a conversion notice), provided that:
 - notice of such redemption is given on the first trading day of a calendar month for which the 5-day VWAP for the 5 trading days immediately prior to that first trading day is less than the Fixed Conversion Price; and
 - the number of Convertible Notes being redeemed is at least the minimum redemption amount for that calendar month being nil in all months other than 279,507 in April 2019, 521,739 in each of May 2019 to October 2019 and 521,740 in November 2019 and the number of Existing Convertible Notes is at least the minimum redemption amount for that calendar month being nil in all months other than 521,739 in each of February 2019 and March 2019 and 242,232 in April 2019.

Where Artemis elects to redeem the Convertible Notes, it must pay the Investor 112% of the face value of the redeemed Convertible Notes within 7 days of giving the redemption notice.

- **Redemption** – Artemis must redeem at least 350,000 Convertible Notes by 30 June 2019 and 2,100,000 Convertible Notes by 30 September 2019 (cumulative between the Funding Agreement (2017) and the Funding Agreement (2018)).
- **Redemption – Maturity:** On the Maturity Date, Artemis must redeem the remaining Convertible Notes by paying the Investor the total face value (US\$1 per Convertible Note) outstanding.

- **Maximum Issue of Shares:** The maximum number of Shares to be issued without shareholder approval for the Convertible Notes is capped at 36,171,466 (**Maximum Issue**). Where Artemis is requested to issue Shares in excess of the Maximum Issue, the issue of such Shares is subject to shareholder approval.

Schedule 5 – Terms and conditions of Funding Agreement (2018) Options

(a) Nature of Options

Each Option will grant the holder of that Option the right but not the obligation to be issued by the Company one Share at \$0.08 (**Options Exercise Price**).

Each Option will be exercisable by the Option holder complying with its obligations under these terms, at any time after the time of its grant and prior to 15 May 2022 (**Options Expiration Date**), after which time it will lapse.

(b) Exercise of Options

Without limiting the generality of, and subject to, the other provisions of the Funding Agreement, an Option holder may exercise any of its Options at any time prior to their expiration, by delivery of:

- (i) a copy, whether facsimile or otherwise, of a duly executed Option exercise form (**Exercise Form**), to the Company during normal business hours on any Business Day at the Company's principal executive offices (or such other office or agency of the Company as it may designate by notice to the Option holder);
- (ii) a copy, whether facsimile or otherwise, of any exercise form required by the share registrar; and
- (iii) payment of an amount equal to the Options Exercise Price multiplied by the number of Shares in respect of which the Options are being exercised at the time by wire transfer to the account specified by the Company from time to time or by bank draft delivered to the Company during normal business hours on any Business Day at the Company's principal executive offices (or such other office or agency of the Company as it may designate by notice to the Option holder).

As soon as reasonably practicable, but in any event no later than two (2) Business Days after receipt of a duly completed Exercise Form and the payment referred to in paragraph (iii), the Company must cause its securities registrar to:

- (i) issue and deliver the Shares in respect of which the Options are so exercised by the Option holder; and
- (ii) provide to the Option holder holding statements evidencing that such Shares have been recorded on the Share register.

(c) Bonus Issues

If prior to an exercise of an Option, but after the issue of the Option, the Company makes an issue of Shares by way of capitalisation of profits or out of its reserves (other than pursuant to a dividend reinvestment plan), pursuant to an offer of such Shares to at least all the holders of Shares resident in Australia, then on exercise of the Option, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the holder of the Option would have received if the Option had been exercised before the date on which entitlements to the issue were calculated.

(d) Rights Issues

If prior to an exercise of an Option, but after the issue of the Option, any offer or invitation is made by the Company to at least all the holders of Shares resident in Australia for the subscription for cash with respect to Shares, options or other securities of the Company on a pro rata basis relative to

those holders' shareholding at the time of the offer, the Options Exercise Price will be reduced as specified in the Listing Rules in relation to pro-rata issues (except bonus issues).

(e) **Reconstruction of Capital**

In the event of a consolidation, subdivision or similar reconstruction of the issued capital of the Company, and subject to such changes as are necessary to comply with the Listing Rules applying to a reconstruction of capital at the time of the reconstruction:

- (i) the number of the Shares to which each Option holder is entitled on exercise of the outstanding Options will be reduced or increased in the same proportion as, and the nature of the Shares will be modified to the same extent that, the issued capital of the Company is consolidated, subdivided or reconstructed (subject to the same provisions with respect to rounding of entitlements as sanctioned by the meeting of shareholders approving the consolidation, subdivision or reconstruction); and
- (ii) an appropriate adjustment will be made to the Options Exercise Price of the outstanding Options, with the intent that the total amount payable on exercise of the Options will not alter.

(f) **Cumulative Adjustments**

Full effect will be given to paragraphs (c) (Bonus Issues), (d) (Rights Issues) and (e) (Reconstructions of Capital), as and when occasions of their application arise and in such manner that the effects of the successive applications of them are cumulative, the intention being that the adjustments they progressively effect will be such as to reflect, in relation to the Shares issuable on exercise of the Options outstanding, the adjustments which on the occasions in question are progressively effected in relation to Shares already on issue.

(g) **Notice of Adjustments**

Whenever the number of Shares over which an Option is exercisable, or the Options Exercise Price, is adjusted pursuant to the Funding Agreement, the Company must give notice of the adjustment to all the Option holders, within one (1) Business Day.

(h) **Rights Prior to Exercise**

Prior to its exercise, an Option does not confer a right on the Option holder to participate in a new issue of securities by the Company.

(i) **Redemption**

The Options will not be redeemable by the Company.

(j) **Assignment and Transferability**

The Options will be freely assignable and transferable, subject to the provisions of Chapter 6D of the Corporations Act and the applicable Law.

(k) **Nature of Options**

Each Option will grant the holder of that Option the right but not the obligation to be issued by the Company one Share at \$0.21 (**Options Exercise Price**).

Each Option will be exercisable by the Option holder complying with its obligations under these terms, at any time after the time of its grant and prior to 30 November 2021 (**Options Expiration Date**), after which time it will lapse.

(l) **Exercise of Options**

Without limiting the generality of, and subject to, the other provisions of the Funding Agreement, an Option holder may exercise any of its Options at any time prior to their expiration, by delivery of:

- (iv) a copy, whether facsimile or otherwise, of a duly executed Option exercise form (**Exercise Form**), to the Company during normal business hours on any Business Day at the Company's principal executive offices (or such other office or agency of the Company as it may designate by notice to the Option holder);
- (v) a copy, whether facsimile or otherwise, of any exercise form required by the share registrar; and
- (vi) payment of an amount equal to the Options Exercise Price multiplied by the number of Shares in respect of which the Options are being exercised at the time by wire transfer to the account specified by the Company from time to time or by bank draft delivered to the Company during normal business hours on any Business Day at the Company's principal executive offices (or such other office or agency of the Company as it may designate by notice to the Option holder).

As soon as reasonably practicable, but in any event no later than two (2) Business Days after receipt of a duly completed Exercise Form and the payment referred to in paragraph (iii), the Company must cause its securities registrar to:

- (iii) issue and deliver the Shares in respect of which the Options are so exercised by the Option holder; and
- (iv) provide to the Option holder holding statements evidencing that such Shares have been recorded on the Share register.

(m) **Bonus Issues**

If prior to an exercise of an Option, but after the issue of the Option, the Company makes an issue of Shares by way of capitalisation of profits or out of its reserves (other than pursuant to a dividend reinvestment plan), pursuant to an offer of such Shares to at least all the holders of Shares resident in Australia, then on exercise of the Option, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the holder of the Option would have received if the Option had been exercised before the date on which entitlements to the issue were calculated.

(n) **Rights Issues**

If prior to an exercise of an Option, but after the issue of the Option, any offer or invitation is made by the Company to at least all the holders of Shares resident in Australia for the subscription for cash with respect to Shares, options or other securities of the Company on a pro rata basis relative to those holders' shareholding at the time of the offer, the Options Exercise Price will be reduced as specified in the Listing Rules in relation to pro-rata issues (except bonus issues).

(o) **Reconstruction of Capital**

In the event of a consolidation, subdivision or similar reconstruction of the issued capital of the Company, and subject to such changes as are necessary to comply with the Listing Rules applying to a reconstruction of capital at the time of the reconstruction:

- (iii) the number of the Shares to which each Option holder is entitled on exercise of the outstanding Options will be reduced or increased in the same proportion as, and the nature of the Shares will be modified to the same extent that, the issued capital of the Company is consolidated, subdivided or reconstructed (subject to the same provisions with respect to rounding of entitlements as sanctioned by the meeting of shareholders approving the

consolidation, subdivision or reconstruction); and

- (iv) an appropriate adjustment will be made to the Options Exercise Price of the outstanding Options, with the intent that the total amount payable on exercise of the Options will not alter.

(p) **Cumulative Adjustments**

Full effect will be given to paragraphs (c) (Bonus Issues), (d) (Rights Issues) and (e) (Reconstructions of Capital), as and when occasions of their application arise and in such manner that the effects of the successive applications of them are cumulative, the intention being that the adjustments they progressively effect will be such as to reflect, in relation to the Shares issuable on exercise of the Options outstanding, the adjustments which on the occasions in question are progressively effected in relation to Shares already on issue.

(q) **Notice of Adjustments**

Whenever the number of Shares over which an Option is exercisable, or the Options Exercise Price, is adjusted pursuant to the Funding Agreement, the Company must give notice of the adjustment to all the Option holders, within one (1) Business Day.

(r) **Rights Prior to Exercise**

Prior to its exercise, an Option does not confer a right on the Option holder to participate in a new issue of securities by the Company.

(s) **Redemption**

The Options will not be redeemable by the Company.

(t) **Assignment and Transferability**

The Options will be freely assignable and transferable, subject to the provisions of Chapter 6D of the Corporations Act and the applicable Law.

Schedule 6 – Key terms and conditions of Convertible Notes (2017)

- **Convertible Notes:** 5,803 with an aggregate Face Value of US\$5,803.
- **Face Value and Purchase Price:** US\$1.00 per Convertible Note.
- **Interest:** No interest payable on the Convertible Notes.
- **Maturity Date:** 10 January 2020.
- **Conversion:** Subject to the Maximum Issue (defined below), the Investor may elect to convert the Convertible Notes (other than those for which Artemis has given notice of early redemption) at either:
 - a **Fixed Conversion Price** of A\$0.21; or
 - a **Variable Conversion Price** of the lesser of the Fixed Conversion Price and 94% of the average of the 3 lowest daily VWAP's during the 10 trading days immediately prior to the date that notice of conversion is given by the Investor. Subject to no event of default occurring, the Investor may after 30 June 2019, only convert at the Variable Conversion Price cannot be made.

Subject to an event of default occurring, the Investor may only convert 350,000 Convertible Notes between the Funding Agreement (2017) and the Funding Agreement (2018) per calendar month.

- **Redemption – before Maturity:** Artemis may at any time elect to redeem some or all of the Convertible Notes (other than those for which the Investor has given a conversion notice), provided that:
 - notice of such redemption is given on the first trading day of a calendar month for which the 5-day VWAP for the 5 trading days immediately prior to that first trading day is less than the Fixed Conversion Price; and
 - the number of Convertible Notes being redeemed is at least the minimum redemption amount for that calendar month being nil in all months other than 279,507 in April 2019, 521,739 in each of May 2019 to October 2019 and 521,740 in November 2019 and the number of Existing Convertible Notes is at least the minimum redemption amount for that calendar month being nil in all months other than 521,739 in each of February 2019 and March 2019 and 242,232 in April 2019.

Where Artemis elects to redeem the Convertible Notes, it must pay the Investor 112% of the face value of the redeemed Convertible Notes within 7 days of giving the redemption notice.

- **Redemption – Maturity:** On the Maturity Date, Artemis must redeem the remaining Convertible Notes by paying the Investor the total face value (US\$1 per Convertible Note) outstanding.
- **Maximum Issue of Shares:** The maximum number of Shares to be issued without shareholder approval for the Convertible Notes is capped at 21,791,454 Shares (**Maximum Issue**). Where Artemis is requested to issue Shares in excess of the Maximum Issue, the issue of such Shares is subject to shareholder approval.

Schedule 7 – Terms and conditions of Funding Agreement (2017) Options

(a) Nature of Options

Each Option will grant the holder of that Option the right but not the obligation to be issued by the Company one Share at \$0.08 (**Options Exercise Price**).

Each Option will be exercisable by the Option holder complying with its obligations under these terms, at any time after the time of its grant and prior to 15 May 2022 (**Options Expiration Date**), after which time it will lapse.

(b) Exercise of Options

Without limiting the generality of, and subject to, the other provisions of the Funding Agreement, an Option holder may exercise any of its Options at any time prior to their expiration, by delivery of:

- (i) a copy, whether facsimile or otherwise, of a duly executed Option exercise form (**Exercise Form**), to the Company during normal business hours on any Business Day at the Company's principal executive offices (or such other office or agency of the Company as it may designate by notice to the Option holder);
- (ii) a copy, whether facsimile or otherwise, of any exercise form required by the share registrar; and
- (iii) payment of an amount equal to the Options Exercise Price multiplied by the number of Shares in respect of which the Options are being exercised at the time by wire transfer to the account specified by the Company from time to time or by bank draft delivered to the Company during normal business hours on any Business Day at the Company's principal executive offices (or such other office or agency of the Company as it may designate by notice to the Option holder).

As soon as reasonably practicable, but in any event no later than two (2) Business Days after receipt of a duly completed Exercise Form and the payment referred to in paragraph (iii), the Company must cause its securities registrar to:

- (i) issue and deliver the Shares in respect of which the Options are so exercised by the Option holder; and
- (ii) provide to the Option holder holding statements evidencing that such Shares have been recorded on the Share register.

(c) Bonus Issues

If prior to an exercise of an Option, but after the issue of the Option, the Company makes an issue of Shares by way of capitalisation of profits or out of its reserves (other than pursuant to a dividend reinvestment plan), pursuant to an offer of such Shares to at least all the holders of Shares resident in Australia, then on exercise of the Option, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the holder of the Option would have received if the Option had been exercised before the date on which entitlements to the issue were calculated.

(d) Rights Issues

If prior to an exercise of an Option, but after the issue of the Option, any offer or invitation is made by the Company to at least all the holders of Shares resident in Australia for the subscription for cash with respect to Shares, options or other securities of the Company on a pro rata basis relative to

those holders' shareholding at the time of the offer, the Options Exercise Price will be reduced as specified in the Listing Rules in relation to pro-rata issues (except bonus issues).

(e) **Reconstruction of Capital**

In the event of a consolidation, subdivision or similar reconstruction of the issued capital of the Company, and subject to such changes as are necessary to comply with the Listing Rules applying to a reconstruction of capital at the time of the reconstruction:

- (i) the number of the Shares to which each Option holder is entitled on exercise of the outstanding Options will be reduced or increased in the same proportion as, and the nature of the Shares will be modified to the same extent that, the issued capital of the Company is consolidated, subdivided or reconstructed (subject to the same provisions with respect to rounding of entitlements as sanctioned by the meeting of shareholders approving the consolidation, subdivision or reconstruction); and
- (ii) an appropriate adjustment will be made to the Options Exercise Price of the outstanding Options, with the intent that the total amount payable on exercise of the Options will not alter.

(f) **Cumulative Adjustments**

Full effect will be given to paragraphs (c) (Bonus Issues), (d) (Rights Issues) and (e) (Reconstructions of Capital), as and when occasions of their application arise and in such manner that the effects of the successive applications of them are cumulative, the intention being that the adjustments they progressively effect will be such as to reflect, in relation to the Shares issuable on exercise of the Options outstanding, the adjustments which on the occasions in question are progressively effected in relation to Shares already on issue.

(g) **Notice of Adjustments**

Whenever the number of Shares over which an Option is exercisable, or the Options Exercise Price, is adjusted pursuant to the Funding Agreement, the Company must give notice of the adjustment to all the Option holders, within one (1) Business Day.

(h) **Rights Prior to Exercise**

Prior to its exercise, an Option does not confer a right on the Option holder to participate in a new issue of securities by the Company.

(i) **Redemption**

The Options will not be redeemable by the Company.

(j) **Assignment and Transferability**

The Options will be freely assignable and transferable, subject to the provisions of Chapter 6D of the Corporations Act and the applicable Law.

Schedule 8 – Terms and conditions of Underwriter Options

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.08 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) 36 months from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Following the Exercise Date and within the time period specified by the ASX Listing Rules, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of a holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price or number of underlying securities**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

Schedule 9 – Terms and conditions of Advisor Options

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.08 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) 36 months from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Following the Exercise Date and within the time period specified by the ASX Listing Rules, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of a holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price or number of underlying securities**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

If you are attending the meeting
in person, please bring this with you
for Securityholder registration.

Holder Number:

Vote by Proxy: ARV

Your proxy voting instruction must be received by **11.00am (WST) on Saturday, 20 July 2019**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



SUBMIT YOUR PROXY VOTE BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

VOTING UNDER STEP 1 - APPOINTING A PROXY

If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chairman of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided

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

Joint holding: Where the holding is in more than one name, all of the Shareholders 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 Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

ATTENDING THE MEETING

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

POWER OF ATTORNEY

If a representative as power of attorney of a Shareholder of the Company is to attend the Meeting, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms.



