



11 January 2024

EXTRAORDINARY GENERAL MEETING – NOTICE AND PROXY FORM

Dear Shareholder,

Notice is given that the Extraordinary General Meeting (Meeting) of Shareholders of GWR Group Limited (ASX:GWR) (“**GWR**” or “**the Company**”) will be held as follows:

Time and date: 10:00am (Perth time) on 12 February 2024

Location: Level 3, 88 William Street, Perth WA 6000

In accordance with the Corporations Act 2001 (Cth), the Company will not be dispatching physical copies of the Notice of Extraordinary General Meeting (Notice) to shareholders unless a shareholder has previously requested a hard copy. Instead, a copy of the Notice is available at the following link on ASX:

<https://www.asx.com.au/markets/trade-our-cash-market/announcements.gwr>

If you have nominated an email address and have elected to receive electronic communications from the Company, you will also receive an email to your nominated email address with a link to an electronic copy of the Notice.

In order to receive electronic communications from the Company in the future, please update your shareholder details online at <https://investor.automic.com.au/#/home> and log in with your unique shareholder identification number and postcode (or country for overseas residents).

You may vote by attending the Meeting in person, by proxy or by appointing an authorised representative.

Shareholders are encouraged to vote online at <https://investor.automic.com.au/#/loginsah> or by returning the enclosed proxy form by:

Post to: Automic
GPO Box 5193
Sydney NSW 2001
Email to: meetings@automicgroup.com.au

Your proxy voting instruction must be received by 10:00am (WST) on 10 February 2024, being not less than 48 hours before the commencement of the Meeting. Any proxy voting instructions received after that time will not be valid for the Meeting.

The Notice is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser.

Yours sincerely

Sonu Cheema
Company Secretary



Notice of Extraordinary General Meeting

**GWR Group Limited
ACN 102 622 051**

The extraordinary general meeting of the Company will be held at Level 3, 88 William Street, Perth WA 6000, Western Australia on Monday, 12th February 2024 at 10:00 AM (WST).

This Notice should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on +61 8 9322 6666

Shareholders are urged to attend or vote by lodging the proxy form attached to this Notice.

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GWR Group Limited

ACN 102 622 051

Notice of Extraordinary General Meeting

Notice is hereby given that the extraordinary general meeting of shareholders of GWR Group Limited (**Company**) will be held at **Level 3, 88 William Street, Perth WA 6000**, Western Australia on **Monday, 12th February 2024 and 10:00 AM (WST) (Meeting)**.

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

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on 10th February 2024 at 10:00am (WST).

Terms and abbreviations used in this Notice (including the Explanatory Memorandum) are defined in Schedule 1.

Agenda

1 Resolution 1 – Disposal of Main Undertaking

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

“That, for the purposes of Listing Rule 11.2 and all other purposes, approval is given for the Company to dispose of the Company’s interest in the West Wiluna Iron Ore Project, being its main undertaking, to Gold Valley Wiluna West Pty Ltd on the terms and conditions detailed in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast in favour of Resolution 1 by or on behalf of:

- (a) Gold Valley Wiluna West Pty Ltd and any other person who will obtain a material benefit as a result of the Transaction (except a benefit solely by reason of being a Shareholder); or
- (b) an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution 1 by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on Resolution 1 that way; or
- (b) the Chairperson as proxy or attorney for a person who is entitled to vote on Resolution 1, in accordance with a direction given to the Chairperson to vote on Resolution 1 as the Chairperson decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 1; and
- (ii) the holder votes on Resolution 1 in accordance with directions given by the beneficiary to the holder to vote in that way.

Dated: 11 January 2024

By order of the Board



Sonu Cheema

Company Secretary

GWR Group Limited

ACN 102 622 051

Explanatory Memorandum

1 Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at **Level 3, 88 William Street, Perth WA 6000**, Western Australia on **Monday, 12th February 2024 at 10:00 AM (WST) (Meeting)**.

This Explanatory Memorandum forms part of the Notice which should be read in its entirety. This Explanatory Memorandum contains the terms and conditions on which the Resolution will be voted.

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

2 Action to be taken by Shareholders

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

2.1 Proxies

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

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. Where the proportion or number is not specified, each proxy may exercise half of the votes.

Proxy Forms must be received by the Company no later than 10:00am (WST) on 10th February 2024, being at least 48 hours before the Meeting.

The Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

3 Resolution 1 – Disposal of main undertaking

3.1 Background

As announced by the Company on 21 December 2023, the Company has entered into a Sale Agreement for the sale of its remaining interest in the Wiluna West Iron Ore Project to Gold Valley West Wiluna Pty Ltd ACN 673 280 530 (**GV**) (the **Transaction**).

GV is wholly owned by a multi-sector Perth-based conglomerate known as 'Gold Valley'. Gold Valley is a private explorer, developer and operator of primary iron assets with a current focus on the development of its large portfolio of exploration and near production assets in the Northern Territory and Western Australia. Gold Valley is supported by an experienced executive team and is chaired by Mr Yuzheng Xie.

There will be no changes to the Company's Board or Key Management Personnel on completion of the Transaction.

3.2 Material terms of the Transaction

A summary of the material terms of the Transaction are as follows:

- (a) **Assets:** The Company will sell or assign its rights and/or interests in the following assets to GV:
- (i) mining tenements including, L53/115, L53/146, L53/147, L53/148, L53/177, L53/178, L53/179, L53/190, L53/248, L53/258, L53/259, L53/260, L53/261, M53/971, M53/972, M53/1016, M53/1017, M53/1018, M53/1078, M53/1087 and M53/1096 (**Tenements**);
 - (ii) mining information which includes technical, geological or financial information or reports or studies in the possession or control of the Company relating to the Tenements (**Mining Information**);
 - (iii) the following contracts:
 - (A) the "Binding Term Sheet – Grant of Mining Rights" dated 15 July 2022 executed between GV and the Company (as amended) pursuant to which the Company granted rights to GV in respect of iron ore (**C4 Agreements**);
 - (B) the lease agreement executed between Milton John Marsden, Glenn Phillip Marsden, Julie Rae Marsden and the Company dated on or about 28 May 2021 in respect of part of the premises located at Lot 43 Edwards Road, Meru, Geraldton (**Narngulu Lease Agreement**);
 - (C) the "Farm-in and Joint Venture Letter Agreement" dated 1 April 2004 executed between the Company and Jindalee Resources Limited (**Jindalee Farm-In Agreement**);
 - (D) the deed titled "Option Deed" and dated 22 October 2010 (as amended) and the "Deed of Co-Operation", executed between WWG and the Company, pursuant to which the Company granted rights to WWG to explore and mine gold ore located within the Tenements (**Wiluna West Gold Agreement**); and
 - (E) the "Agreement for the Mining of Iron Ore and Gold at the Wiluna West Project" dated on or about 28 July 2010 (as amended) and executed between the Company and the Tarlpa People (now

represented by the Tarlka Matuwa Piarku Aboriginal Corporation RNTBC) (**Native Title Agreement**),

(together, the **Contracts**); and

- (iv) all licences, approvals, consents, permits, certificates, rights, registrations and other authorisations relating to any aspect of the Tenements or required to own, hold or use the Tenements and includes the ground water licences,

(together, the **Assets**);

- (b) **Conditions Precedent:** completion of the Transaction will be subject to and conditional upon the satisfaction (or waiver) of the following conditions:

- (i) the Company obtaining shareholder approval for the Transaction for the purposes of Listing Rule 11.2 and for all other purposes (i.e. Shareholders approving Resolution 1);
- (ii) the counterparty to each of the Contracts consenting in writing to the assignment or novation of the relevant Contract from the Company to GV (to the extent required by the terms of the Contract);
- (iii) the consent of the Minister for Mines and Petroleum being obtained under the *Mining Act 1978 (WA)* for the transfer of all the rights and obligations in respect of the Tenements;
- (iv) certain other customary third party counterparty consents;

- (c) **Consideration:** the consideration for the Transaction comprises:

- (i) \$30,000,000 in cash, payable as follows:
 - (A) a \$3,000,000 which was paid to GWR on 22 December 2023;
 - (B) the balance payable on completion of the Transaction;
- (ii) a royalty in respect of all iron ore won from the Tenements (excluding M53/1018) and exported or otherwise sold (including in respect of the processing or reprocessing of tailings) on or after 1 September 2023 at the rate of \$2.00 per dry metric tonne (**Royalty**),

(together, the **Consideration**);

- (d) **C4 Agreement deposit:** GV's obligation to pay royalties to the Company in respect of the C4 Agreement deposit is suspended from the date of the Sale Agreement. If completion occurs, the Company must release GV from all claims it has in relation to the payment of royalties to the Company in relation to the C4 deposit. If completion does not occur, the suspension of royalty payments will be revoked and all royalty amounts not paid will be due and payable.
- (e) **Gold rights:** West Wiluna Gold Pty Ltd will retain its gold rights under the Transaction.
- (f) **Other payments:** GV undertakes to pay amounts due and payable to the Company in connection with certain other unpaid royalties, state royalties and lease payments prior to or at completion.

3.3 Use of proceeds

Subject to approval and implementation of the Transaction, the Company intends to use the net proceeds delivered by receipt of the Consideration to continue exploration at the Company's Prospect Ridge Project and Hatches Creek Project and intends to continue to further develop existing assets and to undertake other strategic initiatives in due course.

GWR is actively assessing new opportunities in the resources sector and is also considering capital management initiatives such as a capital return to shareholders.

3.4 Financial effect of the Transaction

The financial impact of the Transaction on the Company is set out in the following pro forma balance sheet:

Details	Jun 23 Audited	Impact of Transaction	Post Transaction
Assets			
Cash and cash equivalents	7,217,017	31,141,115	38,358,132
Trade and other receivables	14,527,092	(12,571,832)	1,955,260
Financial assets	2,277,096	(2,030,788)	246,308
Prepayments		359,736	359,736
Total current assets	24,021,205	16,898,231	40,919,436
Plant and equipment	43,667	-	43,667
Exploration and evaluation expenditure	7,627,058	(5,910,236)	1,716,822
Other financial assets	1,570,495	-	1,570,495
Other Receivables (Non current)	38,746,455	(38,746,455)	-
Total non-current assets	47,987,675	(44,656,691)	3,330,984
Total assets	72,008,880	(27,758,460)	44,250,420
Liabilities			
Trade and other payables	4,030,396	(1,741,917)	2,288,479
Lease liabilities (current)	240,000	(240,000)	-
Provisions	421,348	14,819	436,167
Total current liabilities	4,691,744	(1,967,099)	2,724,645
Lease Liabilities (non current)	331,625	(331,625)	-
Provisions (non-current)	6,636,560	(6,636,560)	-
Total non-current liabilities	6,968,185	(6,968,185)	-
Total liabilities	11,659,929	(8,935,284)	2,724,645
Net assets	60,348,951	(18,823,176)	41,525,775
Equity			
Contributed equity	154,951,396		154,951,396
Reserves	27,552,378		27,552,378
Accumulated losses	(122,154,823)	(18,823,176)	(140,977,999)
Total equity	60,348,951	(18,823,176)	41,525,775

The following table summarises the likely effect of the transaction on the Company's consolidated total assets, total equity interests, annual revenue, annual expenditure and annual profit before tax as set out in the audited consolidated financial report for the year ended 30 June 2023:

Particulars	Before Transaction 30 June 2023 (Audited)	Increase / decrease due to Transaction	After Transaction	Percentage change due to Transaction
Total consolidated assets	\$72,008,880	(27,758,460)	\$44,250,420	(39%)
Total consolidated equity	\$60,348,951	(18,823,176)	\$41,525,775	(31%)
Consolidated annual expenditure	\$2,961,368	-	\$2,961,368	-%
Consolidated EBITDA	\$56,462,355	(18,823,176)	\$37,639,179	(33%)
Consolidated annual profit / (Loss) (before tax)	\$55,627,369	(18,823,176)	\$36,804,193	(34%)

3.5 Advantages of the Transaction

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

- (a) the Company will receive a significant cash-injection and an increase in liquidity as a result of the cash Consideration of \$30,000,000 on completion of the Transaction;
- (b) the cash-injection will accelerate exploration and development of the Hatches Creek Project and Prospect Ridge Project; and
- (c) appraise and investigate other commercial ventures and opportunities.

3.6 Disadvantages of the Transaction

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

- (a) the consequence of the Transaction is that the Company will sell its main assets being the West Wiluna Iron Ore Project, which may not be consistent with the investment objectives of all Shareholders; and
- (b) notwithstanding the recommendation of the Board, you may believe that the Transaction is not in your best interest or believe that the Consideration is inadequate.

3.7 Indicative timetable

Subject to the Listing Rules and Corporations Act requirements, the Company anticipates closing of the Transaction will be in accordance with the following timetable.

Event	Date*
Meeting to approve the Transaction	12 February 2024
Progress and finalise settlement and completion	18 February 2024
Closing of the Transaction	19 February 2024

*Please note this timetable is indicative only and the Directors of the Company reserve the right to amend the timetable as required. Any changes to the timetable will be announced to the ASX.

3.8 General

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

ASX takes no responsibility for the contents of the Notice.

3.9 Listing Rule 11.2

Listing Rule 11.2 requires a listed company to obtain the approval of its shareholders to a disposal of its main undertaking. The Transaction is a disposal of the Company's main undertaking for these purposes.

Resolution 1 seeks the required Shareholder approval to the Transaction under and for the purposes of Listing Rule 11.2.

If Resolution 1 is passed, the Company will be able to proceed with the Transaction and the Company will no longer hold any interest in the West Wiluna Iron Ore Project and will receive a cash-injection of as a result of the cash consideration of \$30,000,000 on completion of the Transaction.

If Resolution 1 is not passed, the Company will not be able to proceed with the Transaction and the Company will retain its interest in the West Wiluna Iron Ore Project, be unable to which may result in the Company requiring further capital raises (equity or debt) to fully fund the West Wiluna Iron Ore Project.

3.10 Listing Rule 12.3

A disposal by a listed entity of its main undertaking can raise issues under Listing Rule 12.1 and 12.2, which oblige a listed entity to satisfy ASX on an ongoing basis that the level of its operations is sufficient, and its financial condition adequate, to warrant its continued quotation of its securities.

ASX have advised that the Company will be afforded a period of 6 months from the date of the announcement of the disposal of its interest in the Assets to demonstrate to the ASX that it is compliant with Listing Rule 12.1. The ASX also advises that if the Company does not demonstrate compliance with this Rule to ASX's satisfaction by the 6-month anniversary, ASX will suspend trading in the Company's securities.

The consequences of a disposal of the main undertaking are that any transaction the Company proposes to enter into may, if required by ASX, attract the application of Listing Rule 11.1.3 and as a result the Company may, if required by ASX, be required to re-comply with Chapters 1 and 2 of the Listing Rules.

Please refer to ASX Guidance Note 12: Significant Change to Activities which provides further information on significant changes to activities and how the Listing Rules apply to those changes.

3.11 Board recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1.

Schedule 1 Definitions

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

\$ means Australian Dollars.

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

Board means the board of Directors.

Chairperson means the person appointed to chair the Meeting, or any part of the Meeting, convened by the Notice.

Company means GWR Group Limited (ACN 102 622 051).

Conditions Precedent has the meaning given in Section 3.2(b).

Consideration has the meaning given in Section 3.2(c).

Contracts has the meaning given in Section 3.2(a)(iii).

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

Director means a director of the Company.

Explanatory Memorandum means the explanatory memorandum which forms part of the Notice.

GV means Gold Valley Wiluna West Pty Ltd (ACN 673 280 530).

Key Management Personnel means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listing Rules means the listing rules of ASX.

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

Notice means the notice of meeting which comprises of the notice, agenda, Explanatory Memorandum and Proxy Form.

Proxy Form means the proxy form attached to the Notice.

Resolution means a resolution contained in the Notice.

Royalty has the meaning given in Section 3.2(c)(ii).

Sale Agreement means the formal agreement dated 20 December 2023 between GV and the Company in respect of the Transaction.

Schedule means a schedule to this Explanatory Memorandum.

Section means a section of this Explanatory Memorandum.

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

Shareholder means a shareholder of the Company.

Tenements has the meaning given in Section 3.2(a)(i).

Transaction means the disposal of 100% of the Company's interest in the Tenements at its West Wiluna Iron Ore Project to Gold Valley Wiluna West Pty Ltd for the Consideration and the Iron Ore Royalty.

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

WWG means Wiluna West Gold Pty Ltd (ACN 116 550 111).



Proxy Voting Form

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

GWR Group Limited | ABN 54 102 622 051

Your proxy voting instruction must be received by **10.00am (AWST) on Saturday, 10 February 2024**, 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

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.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair 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 Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair 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.

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

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

Joint holding: Where the holding is in more than one name, all 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>.

Lodging your Proxy Voting Form:

Online

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

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



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