
BLINA MINERALS NL

ACN 086 471 007

NOTICE OF ANNUAL GENERAL MEETING

TIME: 2:00pm WST

DATE: 25 November 2015

PLACE: Suite 12, Level 1
11 Ventnor Avenue
WEST PERTH WA 6005

A copy of the Blina Minerals NL 2015 Annual Report can be found at:

www.blinaminerals.com.au

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary, Jay Stephenson, on (+61 8) 6141 3500.

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IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 2:00pm (WST) on 25 November 2015 at Suite 12, Level 1, 11 Ventnor Avenue, West Perth WA 6005.

YOUR VOTE IS IMPORTANT

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

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 2:00pm (WST) on 23 November 2015.

VOTING IN PERSON

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

VOTING BY PROXY

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

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

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

New sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this Annual General Meeting. An amendment to the Act

("Amending Act") received Royal Assent on 27 June 2012, which aims to clarify confusion surrounding proxy voting by chairpersons for remuneration related matters.

The Amending Act clarifies that the chair of an annual general meeting can vote undirected proxies in a shareholder vote on the remuneration report where the shareholder provides express authorisation.

Further details on these changes is set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does**:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

BUSINESS OF THE MEETING

AGENDA

ORDINARY BUSINESS

Reports and Accounts

To receive and consider the Annual Financial Report of the Company for the financial year ended 30 June 2015 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and Auditor's Report.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

“That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report, as contained in the Company's annual financial report for the financial year ended 30 June 2015.”

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

Voting Prohibition Statement: A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **Voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the Voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (b) the Voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR BRETT FRASER

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 14.4, Rule 73.1 of the Constitution and for all other purposes, Mr Brett Fraser, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

3. RESOLUTION 3 – APPROVAL OF 10% PLACEMENT CAPACITY

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

“That, for the purpose of ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital of the Company (at the time of the issue), calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. RESOLUTION 4 – ISSUE OF SHARES TO BRETT FRASER

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 28,958,333 Shares to Brett Fraser (or his nominees) on the terms and conditions set out in the Explanatory Statement.”

ASX Voting Exclusion: The Company will disregard any votes cast on this Resolution by Brett Fraser (or his nominees) and any of his 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 Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel: or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) 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 Key Management Personnel.

5. RESOLUTION 5 – ISSUE OF SHARES TO JUSTIN VIRGIN

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 18,367,320 Shares to Justin Virgin (or his nominees) on the terms and conditions set out in the Explanatory Statement.”

ASX Voting Exclusion: The Company will disregard any votes cast on this Resolution by Justin Virgin (or his nominees) and any of his 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 Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel: or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) 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 Key Management Personnel.

6. RESOLUTION 6 – APPROVAL OF FUTURE PLACEMENT OF SHARES

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue up to 1,000,000,000 Shares at an issue price of not less

than 80% of the volume weighted average market price for Shares on the ASX over the last 5 trading days on which sales in the Shares were recorded before the date of the proposed issue and otherwise on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity a holder of ordinary securities, if the resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. RESOLUTION 7 – APPROVAL OF ISSUE OF OPTIONS TO RELATED PARTY – MR BRETT FRASER

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

“That, for the purposes of Section 195(4) and Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 40,000,000 Options to Mr Brett Fraser (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Terms and Conditions of Related Party Options

The Related Party Options will have an expiry date of 31 October 2020 and the exercise price will be set prior to the meeting and is based on 167% of the 5 day VWAP immediately prior to the date of the Meeting. The full terms and conditions of the Related Party Options are set out in Schedule 1.

Voting Exclusion Statement:

The Company will disregard any votes cast on this Resolution by Mr Brett Fraser (or his nominee) 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 Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) 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 Key Management Personnel.

8. RESOLUTION 8 – APPROVAL OF ISSUE OF OPTIONS TO RELATED PARTY – MR DAVID PORTER

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

“That, for the purposes of Section 195(4) and Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 40,000,000 Options to Mr David Porter (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Terms and Conditions of Related Party Options

The Related Party Options will have an expiry date of 31 October 2020 and the exercise price will be set prior to the meeting and is based on 167% of the 5 day VWAP immediately prior to the date of the Meeting. The full terms and conditions of the Related Party Options are set out in Schedule 1.

Voting Exclusion Statement:

The Company will disregard any votes cast on this Resolution by Mr David Porter (or his nominee) 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 Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (c) the proxy is either:
 - (i) a member of the Key Management Personnel: or
 - (ii) a Closely Related Party of such a member; and
- (d) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the Chair; and
- (d) 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 Key Management Personnel.

9. RESOLUTION 9 – APPROVAL OF ISSUE OF OPTIONS TO RELATED PARTY – MR JUSTIN VIRGIN

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

“That, for the purposes of Section 195(4) and Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 40,000,000 Options to Mr Justin Virgin (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Terms and Conditions of Related Party Options

The Related Party Options will have an expiry date of 31 October 2020 and the exercise price will be set prior to the meeting and is based on 167% of the 5 day VWAP immediately prior to the date of the Meeting. The full terms and conditions of the Related Party Options are set out in Schedule 1.

Voting Exclusion Statement:

The Company will disregard any votes cast on this Resolution by Mr Justin Virgin (or his nominee) 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 Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (e) the proxy is either:
 - (i) a member of the Key Management Personnel: or
 - (ii) a Closely Related Party of such a member; and
- (f) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (e) the proxy is the Chair; and
- (f) 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 Key Management Personnel.

DATED: 19 OCTOBER 2015

BY ORDER OF THE BOARD

Jay Stephenson
Company Secretary

EXPLANATORY STATEMENT

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

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include the receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2015, together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.blinaminerals.com.au.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' Report contained in the annual financial report of the Company for the financial year ending 30 June 2015.

The Chair of the Meeting must allow a reasonable opportunity for the Shareholders to ask questions about, or make comments on, the Remuneration Report at the Annual General Meeting and, as such, a reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

2.2 Voting consequences

Under changes to the Corporations Act that came into effect on 1 July 2011, if at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report at two consecutive annual general meetings and at the first of those annual general meetings, a Spill Resolution (as defined below) was not put to vote, the Company will be required to put to its shareholders a resolution proposing the calling of another general meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) at the second annual general meeting.

If more than 50% of shareholders vote in favour of the Spill Resolution, the company must convene a general meeting of shareholders (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the previous financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

At the Company's previous annual general meeting, the votes cast against the remuneration report at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

2.3 Proxy voting restrictions

Shareholders appointing a proxy for Resolution 1 should note the following:

If you appoint a member of the Key Management Personnel as your proxy (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member as your proxy

You must direct the proxy how they are to vote on this Resolution. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

If you appoint the Chair as your proxy (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member) or if you appoint any other person as your proxy

You ***do not*** need to direct your proxy how to vote on this Resolution, and you ***do not*** need to tick any further acknowledgement on the proxy form.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR BRETT FRASER

Pursuant to Rule 73.1 of the Company's Constitution and Listing Rule 14.4 one-third of the Directors (or the number nearest one third) must retire at each annual general meeting, provided always that no Director (except the Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is longer, without submitting himself or herself for re-election.

The Directors to retire are those who have been longest in office since their appointment or last re-appointment or, if the Directors have been in office for an equal length of time, those to retire shall be determined by drawing lots unless otherwise agreed.

A Director who retires by rotation under Rule 73.1 of the Constitution is eligible for re-election.

The Company currently has three Directors and accordingly one must retire.

Mr Bret Fraser, the Director longest in office since his last election, retires by rotation and seeks re-election. His details are set out below.

Mr Brett Fraser, FCPA, FFIN, B.Bus, was appointed as the independent Non-Executive Chairman of the Company on 28 September 2008. He has worked in the finance and securities industry for over 25 years and has owned and operated businesses across wine, health, finance, media and mining. He is non-executive chairman of Drake Resources Limited, non-executive director of Aura Energy Limited and previously non-executive director of Doray Minerals Limited.

The Board unanimously supports the election of Mr Fraser.

4. RESOLUTION 3 – APPROVAL OF 10% PLACEMENT CAPACITY

4.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Capacity**). The Company is an Eligible Entity.

If Shareholders approve Resolution 3, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in Section 4.2 below).

The effect of Resolution 3 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 3 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 3 for it to be passed.

4.2 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$1.61M.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has only one class of quoted Equity Securities on issue, one being 1,609,565,917 Shares (ASX Code: BDI).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

$$(A \times D) - E$$

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
 - (a) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
 - (b) plus the number of partly paid shares that became fully paid in the previous 12 months;
 - (c) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval; and
 - (d) less the number of Shares cancelled in the previous 12 months.
- D** is 10%.
- E** is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not

issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

4.3 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 3:

(a) **Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in paragraph 6.3(a)(i), the date on which the Equity Securities are issued.

(b) **Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid),

(10% Placement Capacity Period).

(c) **Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 3 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below, subject to the assumptions listed below the table.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company will have on issue at the date of the Meeting plus the Shares to be issued pursuant to Resolutions 6, 7, 8, 9 and 10. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and

- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price. The voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

| Number of Shares on Issue | Dilution | | | |
|-----------------------------------|-------------------------|---|----------------------------------|---|
| | Issue Price (per Share) | \$0.0005 (50% decrease in current issue price) | \$0.001 (Current issue price) | \$0.0015 (50% increase in current issue price) |
| 1,609,565,917 (Current) | 10% Voting Dilution | 160,956,592 Shares | 160,956,592 Shares | 160,956,592 Shares |
| | Funds Raised | \$80,478 | \$160,957 | \$241,4345 |
| 2,414,348,875 (50% increase)* | 10% Voting Dilution | 241,434,888 Shares | 241,434,888 Shares | 241,434,888 Shares |
| | Funds Raised | \$120,717 | \$241,435 | \$362,152 |
| 3,219,131,834 (100% increase)* | 10% Voting Dilution | 321,913,183 Shares | 321,913,183 Shares | 321,913,183 Shares |
| | Funds Raised | \$160,957 | \$321,913 | \$482,870 |

*The number of Shares on issue (variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. There are currently 1,609,565,917 Shares on issue. The Calculations take into account the Shares to be issued pursuant to Resolutions 4 and 5.
2. The issue price set out above is the closing price of the Shares on the ASX on 6 October 2015.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1 and Rule 7.1A, or subsequently ratified under Listing Rule 7.4 at this Meeting.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for those Equity Securities on the date of issue or the Equity

Securities are issued as part of the consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

(d) **Purpose of Issue under 10% Placement Capacity**

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration in which case the Company intends to use funds raised for the acquisition of new resources, assets and investments (including expenses associated with such an acquisition), continued exploration expenditure on the Company's current assets in Burkina Faso and for general working capital; or
- (ii) as non-cash consideration for the acquisition of new resources assets and investments, in such circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3.

(e) **Allocation under the 10% Placement Capacity**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Capacity. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company; and
- (v) advice from corporate, financial and broking advisers (if applicable).

The allottees of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined but may include current Shareholders or new investors (or both), none of whom will be related parties of the Company. Further, if the Company is successful in acquiring new assets or investments, it is likely that the allottees under the 10% Placement Capacity will be vendors of the new assets or investments.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.

(f) **Previous Approval under ASX Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its 2014 Annual General Meeting held on 28 November 2014 (**Previous Approval**). No Equity Securities have been issued pursuant to the Previous Approval during the 12 month period preceding the date of the Meeting the subject of this Notice.

In the past 12 months preceding the date of this meeting the Company issued a total 123,844,617 Fully Paid Ordinary Shares which represents 8.3% of the total number of Equity Securities on issue at 28 November 2014, the date of the last Annual General Meeting. Details of the Issues are included in the table below.

| Date of Issue | Number of Securities issued | Names of persons who received securities | Price of issue and Current Price (Value) | Discount to Market | Total \$ Received | Amount Spent and use of Funds | Intended Use of Remaining Funds |
|-----------------------------------|-----------------------------|--|--|--------------------|-------------------|-------------------------------|---------------------------------|
| Fully Paid Ordinary Shares | | | | | | | |
| 4/12/2014 | 123,844,617 | Directors | Price at time of issue \$0.001 Price at date of this notice \$0.001 | Nil | N/A | N/A | N/A |

(g) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it will give to ASX:

- (i) a list of the allottees of the Equity Securities and the number of Equity Securities allotted to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 3.10.5A for release to the market.

4.4 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 3.

5. RESOLUTIONS 4 AND 5 – APPROVAL OF ISSUE OF SHARES IN LIEU OF PAYMENT OF DIRECTOR TO MR BRETT FRASER AND MR JUSTIN VIRGIN

5.1 General

The effect of Resolutions 4 and 5 will be to allow the Company to issue Shares to Messrs Brett Fraser and Justin Virgin a (or their respective nominees).

5.2 Details of Fees Payable to Directors

Brett Fraser

Mr Fraser was appointed to the Board on 26 September 2008. For the period commencing 1 November 2014 and ending 31 October 2015, Mr Fraser was not paid in full for his services.

During this period, the Company accrued fees owing to Mr Fraser totalling \$28,958 (excluding income tax). The Company and Mr Fraser have agreed that 100% of this amount be satisfied by way of an issue of 28,958,333 Shares at an issue price of \$0.001 per Share. Such Shares are intended to be issued as soon as possible following the receipt of Shareholder approval pursuant to Resolution 4.

Justin Virgin

Mr Virgin was appointed to the Board on 6 September 2013. For the period commencing 1 November 2014 and ending 31 October 2015, Mr Virgin was not paid in full for his services. During this period, the Company accrued fees owing to Mr Virgin totalling \$18,367 (excluding income tax). The Company and Mr Virgin have agreed that 100% of this amount be satisfied by way of an issue of 18,367,320 Shares at an issue price of \$0.001 per Share. Such Shares are intended to be issued as soon as possible following the receipt of Shareholder approval pursuant to Resolution 5.

The Company has opted to satisfy the specified fees owing in this manner in order to conserve a greater proportion of the Company's cash in extinguishing a proportion of the specified debts on the Company's balance sheet.

In this regard, the Company has agreed, subject to obtaining Shareholder approval, to issue and allot a total of 47,325,653 Shares (**Related Party Shares**) to the Related Parties on the terms and conditions set out below. In the event that Shareholder approval is not obtained, the Related Parties will retain their right to the payments to which they would otherwise be entitled.

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

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

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

The grant of the Related Party Shares constitutes giving a financial benefit and Messrs Brett Fraser and Justin Virgin are related parties of the Company by virtue of being Directors of the Company.

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

As the Directors are each benefitting from Resolutions 4 and 5 (as applicable) on similar terms, a quorum of Directors cannot be constituted to ascertain whether any exceptions set out in sections 210 to 216 of the Corporations Act and ASX Listing Rule 10.12 apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of Related Party Shares to the Related Parties.

5.3 Shareholder Approval (Chapter 2E of the Corporations Act and ASX Listing Rule 10.11)

Pursuant to and in accordance with the requirements of section 219 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to the proposed grant of Related Party Shares:

- (a) the related parties are Messrs Brett Fraser and Justin Virgin, and they are related parties, in the case of Messrs Fraser and Virgin, by virtue of being Directors of the Company;
- (b) the maximum number of Related Party Shares (being the nature of the financial benefit being provided) to be granted to the Related Parties is:
- (i) 28,958,333 Related Party Shares to Brett Fraser; and
- (ii) 18,367,320 Related Party Shares to Justin Virgin;
- (c) the Related Party Shares will be granted to the Related Parties no later than 1 month 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 Shares will be issued on one date;
- (d) the Related Party Shares will be fully paid ordinary shares in the capital of the Company at a deemed issue price of \$0.001 per Share;
- (e) the deemed issue price of \$0.001 per Share is based on the current market value of the Company Shares;
- (f) the Related Party Shares will be granted for nil cash consideration, rather they will be issued in partial extinguishment of a debt, and accordingly no funds will be raised;
- (g) the relevant interests of the Related Parties in securities of the Company are set out below:

| Related Party | Shares | Options |
|---------------|------------|---------|
| Brett Fraser | 19,212,500 | nil |
| Justin Virgin | 70,138,367 | nil |

- (h) the remuneration and emoluments from the Company to the Related Parties for the previous financial years and the proposed remuneration and emoluments for the current financial year are set out below:

| Related Party | Current Financial Year \$ | Financial Year to June 2015 \$ | Financial Year to June 2014 \$ |
|---------------|---------------------------|--------------------------------|--------------------------------|
| Brett Fraser | 40,000 | 65,700 | 65,500 |
| Justin Virgin | 35,000 | 36,000 | 66,340 |

- (i) if Resolutions 4 and 5 are passed, a total of 47,325,653 Shares would be issued. This will increase the number of Shares on issue from 1,609,565,917 to 1,656,891,570 (assuming that no Options are exercised and no Shares, other than those contemplated by Resolutions seven to nine of this Notice, are issued) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 2.86% comprising 1.75% by Brett Fraser and 1.11% by Justin Virgin.
- (j) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

| | Price \$ | Date |
|---------|-------------|----------------|
| Highest | 0.002 cents | 18 March 2015 |
| Lowest | 0.001 cents | 6 October 2015 |
| Last | 0.001 cents | 6 October 2015 |

- (k) the Board acknowledges the grant of Related Party Shares to Justin Virgin and Brett Fraser 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 Related Party Shares to Justin Virgin and Brett Fraser reasonable in the circumstances for the reason set out in paragraph (l);
- (l) Brett Fraser declines to make a recommendation to Shareholders in relation to Resolution 4 due to Brett Fraser's material personal interest in the outcome of the Resolution on the basis that Brett Fraser is to be granted Related Party Shares in the Company should Resolution 4 be passed. However, in respect of Resolution 5, Brett Fraser recommends that Shareholders vote in favour of that Resolution for the following reasons:
 - (i) the grant of the Related Party Shares 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 to the Related Parties; and
 - (ii) 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 Shares upon the terms proposed;
- (m) Justin Virgin declines to make a recommendation to Shareholders in relation to Resolution 5 due to Justin Virgin's material personal interest in the outcome of the Resolution on the basis that Justin Virgin, are to be granted Related Party Shares in the Company should Resolution 5 be passed. However, in respect of Resolution 4, Justin Virgin recommends that Shareholders vote in favour of that Resolution for the reasons set out in paragraph (l);
- (n) in forming their recommendations, each Director considered the experience of each other Related Party, the current market price of Shares, the current market practices when determining the number of Related Party Shares to be granted; and
- (o) 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 seven to nine.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Related Party Shares to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Related Party Shares to the Related Parties will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

6. RESOLUTION 8 – APPROVAL OF FUTURE PLACEMENT OF SHARES

6.2 General

Resolution 8 seeks Shareholder approval for a proposed allotment and issue of up to 1,000,000,000 Shares (**Future Placement**).

A summary of ASX Listing Rules 7.1 and 7.4 is set out in Section 5.1 above.

The effect of Resolution 8 will be to allow the Directors to issue the Shares pursuant to the Future 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.

6.3 Information Required ASX Listing Rule 7.1

Pursuant to and in accordance ASX Listing Rule 7.3, the following information is provided in relation to the Future Placement:

- (a) the maximum number of Shares which may be allotted and issued pursuant to Resolution 8 is 1,000,000,000;
- (b) the Future Placement Shares will be allotted and issued progressively as the allottees are identified, however, no Future Placement Shares will be allotted and issued after the date which is 3 months after the date of the Meeting (or later to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) ;
- (c) the issue price of the Shares proposed to be allotted and issued pursuant to the Future Placement will be not less than 80% of the volume weighted average market price of Shares on ASX calculated over the last 5 days on which sales in the Shares are recorded before the day on which the issue is made or, if there is a prospectus, over the last 5 days in which sales in the Shares were recorded before the date the prospectus is signed;
- (d) the allottees in respect of Resolution 8 are not, as yet, identified, but will likely be sophisticated and professional investors identified by the Company and the clients of any brokers appointed by the Company to manage the Future Placement. The allottees will not be related parties of the Company;
- (e) assuming no other Shares are issued or Options exercised and the maximum number of Shares as set out in this Resolution are issued pursuant to the Future Placement , the number of Shares on issue would increase from 1,609,565,917 to 2,609,565,917 and the shareholding of existing Shareholders would be diluted by 38% This calculation does not take account of the issues of Shares the subject of Resolutions 4, 5, 6 or 7;
- (f) 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
- (g) the Company currently intends to use the funds raised from the Future Placement for:
 - (i) the Company's existing exploration assets;
 - (ii) the review and possible acquisition of new projects; and
 - (iii) for general working capital purposes.
- (h) the Company currently intends that any funds raised pursuant to the Future Placement will be allocated in the following proportions:

| | Current Year | Next Year |
|--|--------------|-------------|
| Total Tenement Commitments | 10% | 10% |
| Program and budget for additional expenditure on various tenements | 50% | 50% |
| Administration | 10% | 10% |
| Other working capital/corporate opportunities | 30% | 30% |
| Total Expenditure over 2 years | 100% | 100% |

7. RESOLUTIONS 7, 8 AND 9 – ISSUE OF OPTIONS TO RELATED PARTIES

7.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue a total of 120,000,000 Options (Related Party Options) to Messrs Brett Fraser, David Porter and Justin Virgin (Related Parties) on the terms and conditions set out below.

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

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

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

The grant of the Related Party Options constitutes giving a financial benefit and Messrs Brett Fraser, David Porter and Justin Virgin are related parties of the Company by virtue of being Directors.

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

It is the view of the Company that the exceptions set out in sections 210 to 216 of the Corporations Act and ASX Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of Related Party Options to the Related Parties.

7.2 Shareholder Approval (Chapter 2E of the Corporations Act and Listing Rule 10.11)

Pursuant to and in accordance with the requirements of section 219 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to the proposed grant of Related Party Options:

- (a) the related parties are Messrs Brett Fraser, David Porter and Justin Virgin and they are related parties by virtue of being Directors;
- (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:
 - (i) 40,000,000 Related Party Options to Mr Brett Fraser;
 - (ii) 40,000,000 Related Party Options to Mr David Porter; and
 - (iii) 40,000,000 Related Party Options to Mr Justin Virgin;
- (c) the Related Party Options will be granted to the Related Parties no later than 1 month 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;
- (d) the Related Party Options will be granted for nil cash consideration, accordingly no funds will be raised;

- (e) the Related Party Options will have an expiry date of 31 October 2020 and the exercise price will be set prior to the meeting and is based on 167% of the 5 day VWAP immediately prior to the date of the Meeting. The full terms and conditions of the Related Party Options are set out in Schedule 1;
- (f) the value of the Related Party Options and the pricing methodology is set out in Schedule 2;
- (g) the relevant interests of the Related Parties in securities of the Company are set out below:

| Related Party | Shares | Options |
|---------------|-------------|---------|
| Brett Fraser | 19,212,500 | nil |
| David Porter | 242,281,250 | nil |
| Justin Virgin | 70,138,367 | nil |

- (h) 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:

| Related Party | Current Financial Year \$ | Financial Year to June 2015 \$ | Financial Year to June 2014 \$ |
|---------------|---------------------------|--------------------------------|--------------------------------|
| Brett Fraser | 40,000 | 65,700 | 65,500 |
| David Porter | 120,000 | 157,901 | 174,855 |
| Justin Virgin | 35,000 | 36,000 | 66,340 |

- (i) the Related Party Options granted to the Related Parties are exercised, a total of 120,000,000 Shares would be issued. This will increase the number of Shares on issue from 1,609,565,917 to 1,729,565,917 (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 6.94%, comprising 2.42% by Mr Brett Fraser, 2.42% by Mr David Porter and 2.42% by Mr Justin Virgin.
- (j) 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.
- (k) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below in Section 5.3(j) above;
- (l) the Board acknowledges the grant of Related Party Options to each of the Directors is contrary to Recommendation 8.3 of The Corporate Governance Principles and Recommendations with 2010 Amendments (3rd Edition) as published by The ASX Corporate Governance Council. However, the Board considers the grant of Related Party Options to each of the Directors is reasonable in the circumstances for the reason set out in paragraph (xiii);
- (m) the primary purpose of the grant of the Related Party Options to the Related Parties is to provide a performance linked incentive component in the remuneration package for the Related Parties to motivate and reward the performance of the Related Parties in their respective roles as Directors;

- (n) Mr Brett Fraser declines to make a recommendation to Shareholders in relation to Resolution 7 due to his material personal interest in the outcome of the Resolution on the basis that Mr Brett Fraser is to be granted Related Party Options in the Company should Resolution 7 be passed. However, in respect of Resolutions 8 and 9, Mr Brett Fraser recommends that Shareholders vote in favour of those Resolutions for the following reasons:
- (i) the grant of Related Party Options to the Related Parties, in particular, the vesting conditions of the Related Party Options, will align the interests of the Related Parties 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 to the Related Parties; and
 - (iii) there is no significant opportunity costs to the Company or opportunity foregone by the Company in granting the Related Party Options upon the terms proposed;
- (o) Mr David Porter declines to make a recommendation to Shareholders in relation to Resolution 8 due to his material personal interest in the outcome of the Resolution on the basis that he is to be granted Related Party Options in the Company should Resolution 8 be passed. However, in respect of Resolutions 7 and 9, Mr David Porter recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (xiii);
- (p) Mr Justin Virgin declines to make a recommendation to Shareholders in relation to Resolution 9 due to his material personal interest in the outcome of the Resolution on the basis that he is to be granted Related Party Options in the Company should Resolution 9 be passed. However, in respect of Resolutions 7 and 8, Mr Justin Virgin recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (xiii);
- (q) in forming their recommendations, each Director considered the experience of each other Related Party, the current 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
- (r) 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 11 to 13.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Related Party Options to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Related Party Options to the Related Parties will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

GLOSSARY

\$ means Australian dollars.

10% Placement Capacity has the meaning given in section 4.1 of this Notice.

2013 Annual General Meeting means the annual general meeting of the Company held on 21 November 2013.

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

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, 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.

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).

Company means Blina Minerals NL (ACN 086 471 007).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the A&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Ordinary Securities has the meaning set out in the ASX Listing Rules.

Option means an option to acquire a Share.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2015.

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

Schedule means a schedule to this Notice.

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

Shareholder means a holder of a Share.

Variable A means "A" as set out in the calculation in section 6.2 of this Notice.

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

SCHEDULE 1 – 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 (j), the amount payable upon exercise of each Option will be that amount that is 167% of the 5 day volume weighted average price prior to the date of the Meeting (**Exercise Price**)

(c) Expiry Date

Each Option will expire at 5.00pm (WST) on 31 October 2020 (**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

Within 15 Business Days after the later of the following:

- (i) the Exercise Date; and
- (ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

but in any case no later than 20 Business Days after the Exercise Date, the Company will:

- (iii) 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;
- (iv) 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
- (v) 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)(iv) 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) Quotation of Shares issued on exercise

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

(j) Reconstruction of capital

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

(k) 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.

(l) Change in exercise price

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.

(m) Transferability

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

SCHEDULE 2 – VALUATION OF RELATED PARTY OPTIONS

The Related Party Options to be issued to the Related Parties pursuant to Resolutions 7, 8 and 9 have been valued by internal management.

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 | <i>8 October 15</i> |
| Market price of Shares | <i>0.1 cents</i> |
| Exercise price | <i>0.167 cents</i> |
| Expiry date (length of time from issue) | <i>5 years</i> |
| Risk free interest rate | <i>2.07%</i> |
| Volatility (discount) | <i>136.83%</i> |

| | |
|--|--------------------|
| Indicative value per Related Party Option | <i>0.085 cents</i> |
|--|--------------------|

| | |
|---|------------------|
| Total Value of Related Party Options | <i>\$101,562</i> |
|---|------------------|

| | |
|--------------------------|-----------------|
| - Mr Brett Fraser | <i>\$33,854</i> |
|--------------------------|-----------------|

| | |
|--------------------------|-----------------|
| - Mr David Porter | <i>\$33,854</i> |
|--------------------------|-----------------|

| | |
|---------------------------|-----------------|
| - Mr Justin Virgin | <i>\$33,854</i> |
|---------------------------|-----------------|

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.

PROXY FORM

**APPOINTMENT OF PROXY
BLINA MINERALS NL
ACN 086 471 007**

ANNUAL GENERAL MEETING

I/We

of

being a Shareholder entitled to attend and vote at the Annual General Meeting, hereby

Appoint

Name of proxy

OR

the Chair as my/our proxy

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Annual General Meeting to be held at 2:00pm (WST) on 25 November 2015 at Suite 12, Level 1, 11 Ventnor Avenue, West Perth, Western Australia, and at any adjournment thereof. Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1,4,5,7,8 and 9 (except where I/we have indicated a different voting intention below) even though Resolutions 1,4,5,7,8 and 9 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.

Voting on Business of the Annual General Meeting

| | FOR | AGAINST | ABSTAIN |
|---|--------------------------|--------------------------|--------------------------|
| Resolution 1 – Adoption of Remuneration Report | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 2 – Election of Director – Mr Brett Fraser | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 3 – Approval of 10% Placement Capacity | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 4 – Issue of Shares to Brett Fraser | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 5 – Issue of Shares to Justin Virgin | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 6 – Approval of Future Placement of Shares | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 7 – Issue of Options to Brett Fraser | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 8 – Issue of Options to David Porter | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 9 – Issue of Options to Justin Virgin | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

Important for Resolutions 1, 4, 5, 7, 8 & 9

If you have not directed your proxy how to vote as your proxy in respect of Resolutions 1, 4, 5, 7, 8 & 9 the Chair is, or may by default be, appointed your proxy, you must mark the box below.

I/we direct the Chair to vote in accordance with his/her voting intentions (as set out above) on Resolutions 1, 4, 5, 7, 8 & 9 (except where I/we have indicated a different voting intention above) and expressly authorise that the Chair may exercise my/our proxy even though Resolutions 1, 4, 5, 7, 8 & 9 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel. If the Chair is, or may by default be, appointed your proxy and you do not mark this box and you have not directed the Chair how to vote, the Chair will not cast your votes on Resolutions 1, 4, 5, 7, 8 & 9 and your votes will not be counted in calculating the required majority if a poll is called on Resolutions 1, 4, 5, 7, 8 & 9.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: _____ %

Signature of Shareholder(s):

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date: _____

Contact name: _____ **Contact ph (daytime):** _____

Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a Proxy):** A member entitled to attend and cast a vote at an Annual General Meeting is entitled to appoint a proxy to attend and vote on their behalf at the meeting. If the member is entitled to cast 2 or more votes at the meeting, the member may appoint a second proxy to attend and vote on their behalf at the meeting. However, where both proxies attend the meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A member who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a member appoints 2 proxies and the appointments do not specify the proportion or number of the member's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a member of the Company.
2. **(Direction to Vote):** A member may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing Instructions):**
 - **(Individual):** Where the holding is in one name, the member must sign.
 - **(Joint Holding):** Where the holding is in more than one name, all of the members should sign.
 - **(Power of Attorney):** If you have not already provided the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual members from attending the Annual General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the Annual General Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Blina Minerals NL, PO Box 52, West Perth, Western Australia 6872 ; or
 - (b) facsimile to the Company on facsimile number +618 6141 3599; or
 - (c) email to the Company at general@blinaminerals.com.au,so that it is received no less than 48 hours prior to the commencement of the Meeting.

Proxy forms received later than this time will be invalid.