
BLACK ROCK MINING LIMITED

ACN 094 551 336

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 11.00 am (AEST)

DATE: 7 November 2018

PLACE: Australian Institute of Company Directors,
Business Centre, Level 1, 20 Bond St,
Sydney, NSW 2000

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

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 7.00pm (AEST) on 5 November 2018.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2018 together with the declaration of the directors, the director's report, the Remuneration Report and the auditor's report.

2. 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 purposes 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 2018."

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 either 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 this 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.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – RICHARD CROOKES

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

"That, for the purpose of clause 14.2 of the Constitution and for all other purposes, Richard Crookes, a Director, retires by rotation, and being eligible, is re-elected as a Director."

4. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES – LISTING RULE 7.1

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 33,751,530 Shares on the terms and conditions set out in the Explanatory Statement."

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

5. **RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES – LISTING RULE 7.1A**

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 7.4 and for all other purposes, Shareholders ratify the issue of 44,373,470 Shares on the terms and conditions set out in the Explanatory Statement.”

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

6. **RESOLUTION 5 – ISSUE OF SHARES TO RELATED PARTY – JOHN DE VRIES**

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) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,562,500 Shares to John de Vries (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

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

7. **RESOLUTION 6 – ISSUE OF SHARES TO RELATED PARTY – RICHARD CROOKES**

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) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,562,500 Shares to Richard Crookes (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

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

8. RESOLUTION 7 – ISSUE OF SHARES TO RELATED PARTY – STEPHEN COPULOS

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) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 9,375,000 Shares to Stephen Copulos (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

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

9. RESOLUTION 8 – ISSUE OF SHARES TO RELATED PARTY – GABRIEL CHIAPPINI

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) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 625,000 Shares to Gabriel Chiappini (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

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

10. RESOLUTION 9 – ISSUE OF SHARES TO UNRELATED PARTY - ANTHONY HALL

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 Company to issue up to 2,500,000 Shares to Anthony Hall (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

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

11. RESOLUTION 10 – ISSUE OF OPTIONS TO RELATED PARTY – JOHN DE VRIES

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

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 5,000,000 Options to John de Vries (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of John de Vries (or his nominee) or any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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 the Key Management Personnel.

12. RESOLUTION 11 – ISSUE OF OPTIONS TO RELATED PARTY – RICHARD CROOKES

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) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 2,500,000 Options to Richard Crookes (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

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

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 the Key Management Personnel.

13. RESOLUTION 12 – ISSUE OF OPTIONS TO RELATED PARTY – GABRIEL CHIAPPINI

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) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 2,500,000 Options to Gabriel Chiappini (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

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

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 the Key Management Personnel.

14. RESOLUTION 13 – ISSUE OF OPTIONS TO UNRELATED PARTY – ANTHONY HALL

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 Company to issue 3,000,000 Options to Anthony Hall (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

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

15. RESOLUTION 14 – APPROVAL OF 10% PLACEMENT CAPACITY

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

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

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company will not disregard a vote if it is cast by

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

Dated: 20 September 2018

By order of the Board

**Gabriel Chiappini
Director / Company Secretary**

Voting in person

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

Voting by proxy

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

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

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

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

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9320 7550.

EXPLANATORY STATEMENT

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

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2018 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.blackrockmining.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 company or the directors of 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 a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**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 most recent 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.

2.3 Previous voting results

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

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – RICHARD CROOKES

3.1 General

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Richard Crookes, who has served as a Director since 16 October 2017 and was elected on 28 November 2017, retires by rotation and seeks re-election.

3.2 Qualifications and other material directorships

Mr Crookes is Non-Executive Chairman and has over 30 years' experience in the resources and investments industries. He is a geologist by trade having worked in the industry most recently as the Chief Geologist and Mining Manager of Ernest Henry Mining in Australia (now Glencore). Prior to Mr Crookes joining EMR Capital as an Investment Director he was an Executive Director in Macquarie Bank's Metals Energy Capital (MEC) division where he managed all aspects of the Bank's principal investments in mining and metals companies as well as the origination of numerous project finance transactions. Mr Crookes has extensive experience in deal origination, evaluation, structuring, post-acquisition management, client relationship management, marketing and execution of investment entry and exits for both private and public resource companies in Australia and overseas.

Mr Crookes held directorships with the following listed companies in the 3 years immediately prior to the date of this Notice, Highfield Resources Limited.

3.3 Independence

If elected, the Board considers that Mr Crookes will be an independent Director of the Company.

3.4 Board recommendation

The Board supports the re-election of Richard Crookes and recommends that Shareholders vote in favour of Resolution 2.

4. RESOLUTIONS 3 AND 4 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES

4.1 General

On 23 August 2018, the Company announced that it had received commitments in respect of a proposed capital raising of approximately \$3,000,000 (before costs), to be completed through the issue of 93,750,000 Shares at an issue price of \$0.032 per Share (**Placement**).

On 6 September 2018, the Company issued a portion of the Shares the subject of the Placement to unrelated parties of the Company without prior Shareholder approval. 44,373,470 Shares were issued pursuant to the Company's capacity under ASX Listing Rule 7.1A, which was approved by Shareholders at the Company's annual general meeting held on 28 November 2017, and 33,751,530 Shares were issued pursuant to the Company's capacity under ASX Listing Rule 7.1.

Resolutions 3 and 4 seek Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

Further, and subject to Shareholder approval being obtained under Resolutions 5 – 9 (inclusive), it is intended that the Directors of the Company and Mr Anthony Hall (an advisor to the Company & the Company's Head of Strategy), will also participate in the Placement with the issue of 15,625,000 Shares at an issue price of \$0.032 per Share, to raise \$500,000 (before costs). Refer to Section 5.1 for further information.

4.2 Resolution 3 – ASX Listing Rule 7.1

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

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

By ratifying the issue the subject of Resolution 3, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

4.3 Resolution 4 – ASX Listing Rule 7.1A

ASX Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period for which the approval is valid a number of quoted equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in ASX Listing Rule 7.1.

Where an eligible entity obtains shareholder approval to increase its placement capacity under ASX Listing Rule 7.1A then any ordinary securities issued under that additional placement capacity:

- (a) will not be counted in variable "A" in the formula in ASX Listing Rule 7.1A; and
- (b) are counted in variable "E",

until their issue has been ratified under ASX Listing Rule 7.4 (and provided that the previous issue did not breach ASX Listing Rule 7.1A) or 12 months has passed since their issue.

By ratifying the issue the subject of Resolution 4, the base figure (i.e. variable "A") in which the Company's 15% and 10% annual placement capacities are calculated will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval.

4.4 Technical information required by ASX Listing Rule 7.4

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

- (a) 78,125,000 Shares were issued on the following basis:
 - (i) 33,751,530 Shares issued pursuant to ASX Listing Rule 7.1; and
 - (ii) 44,373,470 Shares issued pursuant to ASX Listing Rule 7.1A;
- (b) the issue price was \$0.032 per Share under both the issue of Shares pursuant to ASX Listing Rule 7.1 and ASX Listing Rule 7.1A;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to sophisticated and professional investors. None of these subscribers are related parties of the Company; and
- (e) as announced on 23 August 2018 and 6 September 2018, the funds raised from this issue were used for the further development of the Company's Mahenge Graphite Project, marketing of the Company's graphite to offtake partners, permitting and mining licence processes and general working capital.

5. RESOLUTIONS 5 TO 8 – ISSUE OF SHARES TO RELATED PARTIES - DIRECTORS

5.1 General

As noted in Section 4.1 above, subject to obtaining Shareholder approval, the Directors of the Company wish to participate in the Placement.

Resolution 5 seeks Shareholder approval for the issue of up to 1,562,500 Shares to John de Vries (or his nominee) arising from the participation by John de Vries (or his nominee) in the Placement (**de Vries Participation**).

Resolution 6 seeks Shareholder approval for the issue of up to 1,562,500 Shares to Richard Crookes (or his nominee) arising from the participation by Richard Crookes (or his nominee) in the Placement (**Crookes Participation**).

Resolution 7 seeks Shareholder approval for the issue of up to 9,375,000 Shares to Stephen Copulos (or his nominee) arising from the participation by Stephen Copulos (or his nominee) in the Placement (**Copulos Participation**).

Resolution 8 seeks Shareholder approval for the issue of up to 625,000 Shares to Gabriel Chiappini (or his nominee) arising from the participation by Gabriel Chiappini (or his nominee) in the Placement (**Chiappini Participation**).

5.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company 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 de Vries Participation will result in the issue of Shares which constitutes giving a financial benefit and John de Vries is a related party of the Company by virtue of being a Director.

The Directors (other than John de Vries who has a material personal interest in Resolution 5) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the de Vries Participation because the Shares will be issued to John de Vries on the same terms as Shares issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

The Crookes Participation will result in the issue of Shares which constitutes giving a financial benefit and Richard Crookes is a related party of the Company by virtue of being a Director.

The Directors (other than Richard Crookes who has a material personal interest in Resolution 6) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Crookes Participation because the Shares will be issued to Richard Crookes on the same terms as Shares issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

The Copulos Participation will result in the issue of Shares which constitutes giving a financial benefit and Stephen Copulos is a related party of the Company by virtue of being a Director.

The Directors (other than Stephen Copulos who has a material personal interest in Resolution 7) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Copulos Participation because the Shares will be issued to Stephen Copulos on the same terms as Shares issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

The Chiappini Participation will result in the issue of Shares which constitutes giving a financial benefit and Gabriel Chiappini is a related party of the Company by virtue of being a Director.

The Directors (other than Gabriel Chiappini who has a material personal interest in Resolution 8) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Chiappini Participation because the Shares will be issued to Gabriel Chiappini on the same terms as Shares issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

5.3 ASX Listing Rule 10.11

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 Placement involves the issue of Shares to related parties of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

5.4 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the de Vries Participation, the Crookes Participation, the Copulos Participation and the Chiappini Participation:

- (a) the Shares will be issued to John de Vries, Richard Crookes, Stephen Copulos and Gabriel Chiappini (or each of their nominees) who are related parties of the Company by virtue of being Directors;
- (b) the maximum number of Shares to be issued is 13,125,000, comprised of:
 - (i) 1,562,500 Shares to John de Vries (or his nominee);
 - (ii) 1,562,500 Shares to Richard Crookes (or his nominee);
 - (iii) 9,375,000 Shares to Stephen Copulos (or his nominee); and
 - (iv) 625,000 Shares to Gabriel Chiappini (or his nominee);
- (c) the Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (d) the issue price will be \$0.032 per Share, being the same as all other Shares issued under the Placement;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the funds raised will be used for the same purposes as all other funds raised under the Placement as set out in Section 4.4.

Approval pursuant to ASX Listing Rule 7.1 is not required for the de Vries Participation, the Crookes Participation, the Copulos Participation and the Chiappini Participation, as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares to John de Vries, Richard Crookes, Stephen Copulos and Gabriel Chiappini (or each of their nominees) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

5.5 Additional Information

In addition to the information required under ASX Listing Rule 10.13 above, the Company provides the following information:

- (a) the related parties are Messrs de Vries, Crookes, Copulos and Chiappini (Related Parties) and they are related parties by virtue of being Directors of the Company;
- (b) the maximum number of Shares (being the nature of the financial benefit being provided) to be granted to the Related Parties is 13,125,000 (**Related Party Shares**), comprising:
- (i) 1,562,500 Shares to John de Vries (or his nominee);
 - (ii) 1,562,500 Shares to Richard Crookes (or his nominee);
 - (iii) 9,375,000 Shares to Stephen Copulos (or his nominee); and
 - (iv) 625,000 Shares to Gabriel Chiappini (or his nominee),
- (c) the value of the Related Party Shares will be the issue price of \$0.032 per Share;
- (d) the relevant interests of the Related Parties in securities of the Company as at the date of this Notice are set out below:

Related Party	Shares ¹	Options	Performance Rights
John de Vries	1,650,000	5,000,000 ³	-
Richard Crookes	500,000	5,000,000 ³	-
Stephen Copulos	97,379,336	6,666,666 ² 5,000,000 ³	-
Gabriel Chiappini	5,625,000	266,666 ² 5,000,000 ³	-

Notes:

1. Fully paid ordinary shares in the capital of the Company.
2. Listed Options exercisable at \$0.075 on or before 30 November 2018.
3. Unlisted Options exercisable at \$0.10 each on or before 31 August 2020.

- (e) the remuneration and emoluments (including share-based payments) 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	Previous Financial Year
John de Vries	\$432,379	\$206,877
Richard Crookes	\$137,368	Not Applicable (appointed 16

		October 2017)
Stephen Copulos	\$147,586	\$198,880
Gabriel Chiappini	\$128,250	\$158,046

- (f) if the maximum number of Related Party Shares are issued to the Related Parties, a total of 13,125,000 Shares would be issued (in addition to the 78,125,000 Shares issued under the Placement announced on 23 August 2018). This will increase the number of Shares on issue from 521,859,698 to 534,984,698 (assuming no Options are exercised and no other Shares are issued (including those Shares to be issued to Anthony Hall pursuant to Resolution 9) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 2.45% comprising 0.29% by John de Vries, 0.29% by Richard Crookes, 1.75% by Stephen Copulos and 0.12% by Gabriel Chiappini.
- (g) 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	\$0.085	15 October 2017
Lowest	\$0.031	12 September 2018
Last	\$0.033	9 October 2018

- (h) John de Vries declines to make a recommendation to Shareholders in relation to Resolution 5 due to his material personal interest in the outcome of the Resolution on the basis that he is to be issued Shares in the Company should Resolution 5 be passed. However, in respect of Resolutions 6, 7 and 8, John de Vries recommends that Shareholders vote in favour of those Resolutions as the Related Party Shares will be issued on the same terms as Shares issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms;
- (i) Richard Crookes declines to make a recommendation to Shareholders in relation to Resolution 6 due to his material personal interest in the outcome of the Resolution on the basis that he is to be issued Shares in the Company should Resolution 6 be passed. However, in respect of Resolutions 5, 7 and 8, Richard Crookes recommends that Shareholders vote in favour of those Resolutions as the Related Party Shares will be issued on the same terms as Shares issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms;
- (j) Stephen Copulos 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 he is to be issued Shares in the Company should Resolution 7 be passed. However, in respect of Resolutions 5, 6 and 8, Stephen Copulos recommends that Shareholders vote in favour of those Resolutions as the Related Party Shares will be

issued on the same terms as Shares issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms;

- (k) Gabriel Chiappini 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 issued Shares in the Company should Resolution 8 be passed. However, in respect of Resolutions 5, 6 and 7, Gabriel Chiappini recommends that Shareholders vote in favour of those Resolutions as the Related Party Shares will be issued on the same terms as Shares issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms;
- (l) with the exception of John de Vries, no other Director has a personal interest in the outcome of Resolution 5;
- (m) with the exception of Richard Crookes, no other Director has a personal interest in the outcome of Resolution 6;
- (n) with the exception of Stephen Copulos, no other Director has a personal interest in the outcome of Resolution 7;
- (o) with the exception of Gabriel Chiappini, no other Director has a personal interest in the outcome of Resolution 8; and
- (p) 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 5 to 8.

6. RESOLUTION 9 – ISSUE OF SHARES TO UNRELATED PARTY – ANTHONY HALL

6.1 General

As noted in Section 4.1 above, subject to obtaining Shareholder approval, Anthony Hall, an advisor to the Company, wishes to participate in the Placement.

Resolution 9 seeks Shareholder approval for the issue of up to 2,500,000 Shares to Anthony Hall (or his nominee) arising from the participation by Anthony Hall (or his nominee) in the Placement (**Hall Participation**).

A summary of ASX Listing Rule 7.1 is set out in Section 4.2 above.

The effect of Resolution 9 will be to allow the Company to issue the Shares pursuant to the Hall Participation 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.

6.2 Technical information required by ASX Listing Rule 7.1

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

- (a) the maximum number of Shares to be issued is 2,500,000;

- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (c) the issue price will be \$0.032 per Share, being the same as all other Shares issued under the Placement;
- (d) the Shares will be issued to Anthony Hall (or his nominee). None of these subscribers are related parties of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the funds raised will be used for the same purposes as all other funds raised under the Placement as set out in Section 4.4 of this Explanatory Statement.

7. RESOLUTION 10 – ISSUE OF OPTIONS TO RELATED PARTIES – DIRECTORS

7.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue a total of 10,000,000 Options (**Related Party Options**) to Messrs John de Vries (or his nominee), Richard Crookes (or his nominee) and Gabriel Chiappini (or his nominee) (together, the **Related Parties**) on the terms and conditions set out below.

Resolution 10 seeks Shareholder approval for the grant of 5,000,000 Related Party Options to Mr John de Vries (or his nominee).

Resolution 11 seeks Shareholder approval for the grant of 2,500,000 Related Party Options to Mr Richard Crookes (or his nominee).

Resolution 12 seeks Shareholder approval for the grant of 2,500,000 Related Party Options to Mr Gabriel Chiappini (or his nominee). A summary of Chapter 2E of the Corporations Act and ASX Listing Rule 10.11 is set out in Sections 5.2 and 5.3 above respectively.

7.2 Chapter 2E of the Corporations Act

The grant of Related Party Options constitutes giving a financial benefit and Messrs John de Vries, Richard Crookes and Gabriel Chiappini are related parties of the Company by virtue of being Directors.

The Directors (other than John de Vries who has a material personal interest in Resolution 10, Richard Crookes who has a material personal interest in Resolution 11 and Gabriel Chiappini who has a material personal interest in Resolution 12) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Related Party Options because the agreement to grant the Related Party Options, reached as part of the remuneration package for Messrs John de Vries, Richard Crookes and Gabriel Chiappini is considered reasonable remuneration in the circumstances.

7.3 ASX Listing Rule 10.11

As the grant of the Related Party Options involves the issue of Options to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors (other than John de Vries who has a material personal interest in Resolution 10, Richard Crookes who has a material personal interest in Resolution 11 and Gabriel Chiappini who has a material personal interest in Resolution 12) that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

7.4 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to Resolutions 10 to 12:

- (a) the Related Party Options will be granted to John de Vries (or his nominee), Richard Crookes (or his nominee) and Gabriel Chiappini (or his nominee);
- (b) the number of Related Party Options to be issued is 10,000,000 being
 - (i) 5,000,000 Related Party Options to be issued to John de Vries (or his nominee);
 - (ii) 2,500,000 Related Party Options to be issued to Richard Crookes (or his nominee); and
 - (iii) 2,500,000 Related Party Options to be issued to Gabriel Chiappini (or his nominee);
- (c) the Related Party Options will be granted no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (d) the Related Party Options will be issued for nil cash consideration, accordingly no funds will be raised; and
- (e) the terms and conditions of the Related Party Options are set out in Schedule 1.

Approval pursuant to ASX Listing Rule 7.1 is not required for the grant of the Related Party Options as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the grant of Related Party Options to John de Vries (or his nominee) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

7.5 Additional Information

In addition to the information required under ASX Listing Rule 10.13 above, the Company provides the following information:

- (a) the related parties are Messrs John de Vries, Richard Crookes and Gabriel Chiappini (**Related Parties**) and they are related parties by virtue of being Directors of the Company;

- (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 10,000,000 Related Party Options comprising:
- (i) 5,000,000 Related Party Options Shares to John de Vries (or his nominee);
 - (ii) 2,500,000 Related Party Options to Richard Crookes (or his nominee); and
 - (iii) 2,500,000 Related Party Options to Gabriel Chiappini (or his nominee),
- (c) the value of the Related Party Options is set out in Schedule 2;
- (d) the relevant interests of the Related Parties in securities of the Company as at the date of this Notice is set out in Section 5.5(d) above;
- (e) the remuneration and emoluments (including share-based payments) from the Company to the Related Parties for the previous financial year and the proposed remuneration and emoluments for the current financial year is set out in Section 5.5(e) above;
- (f) if the maximum number of Related Party Options issued to the Related Parties are exercised, a total of 10,000,000 Shares would be issued. This will increase the number of Shares on issue from 521,859,698 to 531,859,698 (assuming no Options are exercised and no other Shares are issued (including, for the avoidance of doubt, the Related Party Shares to be issued to the Related Parties pursuant to Resolutions 5 to 8 and the Shares to be issued to Anthony Hall pursuant to Resolution 9) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 1.88% comprising 0.94% by John de Vries, 0.47% by Richard Crookes, and 0.47% by Gabriel Chiappini;
- (g) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out in Section 5.5(g) above;
- (h) the Board acknowledges the grant of Related Party Options to the Related Parties is contrary to Recommendation 8.2 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 the Related Parties reasonable in the circumstances for the reason set out in paragraph (j);
- (i) 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;
- (j) John de Vries declines to make a recommendation to Shareholders in relation to Resolution 10 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 10 be passed. However, in respect of Resolutions 11 and 12, John de Vries recommends that Shareholders vote in favour of those Resolutions for the following reasons:

- (A) 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;
 - (B) 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
 - (C) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Related Party Options upon the terms proposed;
- (k) Richard Crookes declines to make a recommendation to Shareholders in relation to Resolution 11 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 11 be passed. However, in respect of Resolutions 10 and 12, Richard Crookes recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (j);
- (l) Gabriel Chiappini declines to make a recommendation to Shareholders in relation to Resolution 12 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 12 be passed. However, in respect of Resolutions 10 and 11, Gabriel Chiappini recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (j);
- (m) with the exception of John de Vries, no other Director has a personal interest in the outcome of Resolution 10;
- (n) with the exception of Richard Crookes, no other Director has a personal interest in the outcome of Resolution 11;
- (o) with the exception of Gabriel Chiappini, no other Director has a personal interest in the outcome of Resolution 12; and
- (p) 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
- (q) 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 10 to 12.

8. RESOLUTION 13 – ISSUE OF OPTIONS TO UNRELATED PARTY – ANTHONY HALL

8.1 General

Resolution 13 seeks Shareholder approval for the issue of 3,000,000 Options as a performance linked incentive component in the remuneration package for Anthony Hall, an advisor to the Company.

A summary of ASX Listing Rule 7.1 is set out in Section 4.2 above.

The effect of Resolution 13 will be to allow the Company to issue the Options 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.

8.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 13:

- (i) the maximum number of Options to be issued is 3,000,000;
- (ii) the Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (iii) the Options will be issued for nil cash consideration as part of the remuneration package for Mr Anthony Hall, an advisor to the Company;
- (iv) the Options will be issued to Mr Anthony Hall (or his nominee), who is not a related party of the Company;
- (v) the Options will be issued on the terms and conditions set out in Schedule 1; and
- (vi) no funds will be raised from the issue as the Options are being issued as part of the remuneration package for Mr Anthony Hall.

9. RESOLUTION 14 – APPROVAL OF 10% PLACEMENT CAPACITY

9.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity (as defined below) may seek shareholder approval by special resolution passed at an annual general meeting to have the capacity to issue up to that number of Equity Securities (as defined below) equal to 10% of its issued capital (**10% Placement Capacity**) without using that company's existing 15% annual placement capacity granted under ASX Listing Rule 7.1.

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.

As at the date of this Notice, 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 \$17,221,370 (based on the number of Shares on issue and the closing price of Shares on the ASX on 9 October 2018).

An Equity Security is a share, a unit in a trust, a right to a share or unit in a trust or option, an option over an issued or unissued security, a convertible security, or, any security that ASX decides to classify as an equity security.

Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing class of quoted Equity Securities.

As at the date of this Notice, the Company currently has two classes of quoted Equity Securities on issue, being the Shares (ASX Code: BKT) and Options (ASX Code: BKTOD). If Shareholders approve Resolution 14, the number of Equity Securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

Resolution 14 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 14 for it to be passed.

9.2 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 14:

(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 Section 9.2(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 14 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.

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 market price of Shares and the number of Equity Securities on issue as at 9 October 2018.

The table also shows 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 (Variable 'A' in ASX Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	0.0160 50% decrease in Issue Price	0.032 Issue Price	0.048 50% increase in Issue Price
537,484,698 (Current Variable A)	Shares issued - 10% voting dilution	53,748,470 Shares	53,748,470 Shares	53,748,470 Shares
	Funds raised	\$859,976	\$1,719,951	\$2,579,927
806,227,047 (50% increase in Variable A)	Shares issued - 10% voting dilution	80,622,705 Shares	80,622,705 Shares	80,622,705 Shares
	Funds raised	\$1,289,963	\$2,579,927	\$3,869,890
1,074,969,396 (100% increase in Variable A)	Shares issued - 10% voting dilution	107,496,940 Shares	107,496,940 Shares	107,496,940 Shares
	Funds raised	\$1,719,951	\$3,439,902	\$5,159,853

*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 537,484,698 Shares on issue comprising:
 - (a) 521,859,698 existing Shares as at the date of this Notice of Meeting; and
 - (b) 15,625,000 Shares which will be issued if Resolutions 5 to 9 are passed at this Meeting.
2. The issue price set out above is the closing price of the Shares on the ASX on 9 October 2018.
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.
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 Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(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 continued development of the Company's Mahenge Graphite Project (it is proposed that funds would be used for project development, expanding the management team and Tanzanian operations, offtake and marketing initiatives, securing financing and ongoing project administration and general working capital); or
- (ii) as non-cash consideration for the acquisition of new resources assets and investments including previously announced acquisitions, in such circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3.

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

(e) Allocation policy under the 10% Placement Capacity

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (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;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

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

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 28 November 2017 (**Previous Approval**).

The Company has issued 44,373,470 Shares pursuant to the Previous Approval.

During the 12 month period preceding the date of the Meeting, being on and from 7 November 2017, the Company also issued a further 157,125,000 Shares, 2,400,000 Performance Shares and 15,000,000 unlisted Options which represents approximately 40.93% of the total diluted number of Equity Securities on issue in the Company on 7 November 2017, which was 426,401,356. Further details of the issues of Equity Securities by the Company during the 12 month period preceding the date of the Meeting are set out in Schedule 3.

(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 must give to ASX:

- (i) a list of the recipients of the Equity Securities and the number of Equity Securities issued 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.

9.3 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 14.

GLOSSARY

10% Placement Capacity has the meaning given in Section 9.1.

\$ means Australian dollars.

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

ASIC means the Australian Securities & Investments Commission.

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

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

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

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

Company means Black Rock Mining Limited (ACN 094 551 336).

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 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.

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** means this notice of 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 2018.

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

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

Variable A means "A" as set out in the formula in ASX Listing Rule 7.1A(2).

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 (m), the amount payable upon exercise of each Option will be \$0.10 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 7 November 2021 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Conditions for Vesting**

- (i) All of the Options will vest on 30 September 2019, subject to the holder of the Options having been continuously employed or engaged (as applicable) by the Company at all times from the date of grant of the Options until 30 September 2019 (the **Vesting Condition**).
- (ii) The Options will only vest if the Vesting Condition has been satisfied (or waived by the Board at its discretion).

(e) **Exercise Period**

The exercise period for Options will commence when the Options have vested in accordance with the Vesting Condition and will end on the Expiry Date (**Exercise Period**).

(f) **Cessation of Employment or Engagement**

Where the holder of an Option ceases employment or engagement (as applicable) with the Company:

- (i) all unvested Options will lapse on the date the holder's employment ceases unless the Board in its sole and absolute discretion determines otherwise; and
- (ii) all vested Options that have not been exercised will continue in force and remain exercisable, for a period of 3 months from the date the holder's employment ceases.

(g) **Lapse of Options**

Unless the Board determines otherwise in its sole and absolute discretion, unvested Options will lapse on the earlier of:

- (i) the cessation of employment, engagement or office of a holder in accordance with clause (h); or
- (ii) the Expiry Date.

(h) **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.

(i) **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**).

(j) **Change of Control Event**

- (i) Subject to clause (j)(ii), a Change of Control event occurs where:
- (A) an offer is made for Shares pursuant to a takeover bid under Chapter 6 of the Corporations Act and is, or is declared, unconditional; or
 - (B) the Court sanctions under Part 5.1 of the Corporations Act a compromise or arrangement relating to the Company or a compromise or arrangement proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
 - (C) any other merger, consolidation or amalgamation involving the Company occurs which results in the holders of Shares immediately prior to the merger, consolidation or amalgamation being entitled to 50 per cent or less of the voting shares in the body corporate resulting from the merger, consolidation or amalgamation; or
 - (D) the Company enter into agreements to its main business undertaking or the principal assets (whether or not in the form of shares in the Company) of the Company to a person, or a number of persons, and those agreements become unconditional; or
 - (E) the Board determines in its reasonable opinion, control of the Company has or is likely to change or pass to one or more persons.
- (ii) Unless determined by the Board in accordance with clause (j)(i)(E), the Company's admission to the official list of the ASX or recognised stock exchange, either by way of initial public offering or acquisition by a listed company, will not be deemed a Change in Control Event.

On the occurrence of a Change of Control Event all unvested Options will vest and become exercisable in accordance with this clause (j) with such vesting deemed to have taken place immediately prior to the effective date of the Change of Control Event, regardless of whether or not the employment, engagement or office of the holder is terminated or ceases in connection with the Change of Control Event.

In the case of clause (j)(i)(D), where the Company agrees to sell or dispose of its main business undertaking or principal assets for cash (**Business Sale**) and the Company decides not to distribute the cash proceeds of the Business Sale to Shareholders, the Company, with the consent of the holder, may cancel or buy-back vested Options for a price per Option that is equal to the net proceed of the Business Sale divided by the number of Shares on issue, less the Exercise Price.

The Company shall give written notice of any Change of Control Event to each holder. Upon the giving of any such notice a holder may exercise any of their vested Options within the Exercise Period by delivery to the registered office of the Company or such other address as determined by the Board of:

- (i) a signed Notice of Exercise;
- (ii) a cheque or cash or such other form of payment determined by the Board in its sole and absolute discretion as satisfactory for the amount of the Exercise Price; and
- (iii) the Option certificate, or documentary evidence satisfactory to the Board that the Option certificate was lost or destroyed.

(k) Timing of issue of Shares on exercise

Within 15 Business Days after the Exercise Date, the Company will:

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

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

(l) Shares issued on exercise

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

(m) **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.

(n) **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.

(o) **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.

(p) **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 10 to 13 have been valued by internal management.

Using the Binomial Options Pricing Model and based on the assumptions set out below, the Related Party Options were ascribed the following value:

Assumptions:	
Valuation date	<i>27 September 2018</i>
Market price of Shares	3.3 cents
Exercise price	10 cents
Expiry date (length of time from issue)	<i>3 years</i>
Risk free interest rate	<i>1.5%</i>
Volatility (discount)	<i>100%</i>
Indicative value per Related Party Option	<i>1.3224cents</i>
Total Value of Related Party Options	<i>\$132,240</i>
- <i>John de Vries</i>	<i>\$66,120</i>
- <i>Richard Crookes</i>	<i>\$33,060</i>
- <i>Gabriel Chiappini</i>	<i>\$33,060</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.

SCHEDULE 3 – ISSUES OF EQUITY SECURITIES SINCE 7 NOVEMBER 2017

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of Consideration
Issue – 13 November 2017 Appendix 3B – 13 November 2017	70,000,000 (being, 38,157,772 under 7.1 and 31,842,228 under 7.1A)	Shares ²	Sophisticated and institutional investors	\$0.06 per Share	Amount raised: \$4,200,000 Amount spent: \$4,200,000 Use of funds: Completion of definitive feasibility study & working capital.
Issue – 20 December 2017 Appendix 3B – 22 December 2017	15,000,000	Unquoted Options ³	Directors Gabriel Chiappini, Richard Crookes and John de Vries (or their nominees) as approved by Shareholders on 28 November 2017	Not applicable	Consideration: Nil, issued to Directors in lieu of remuneration and as a performance incentive Non-cash consideration value at issue: \$569,832 Current value ⁴ : \$112,890
Issue – 19 January 2018 Appendix 3B – 19 January 2018	9,000,000	Shares ²	Directors Gabriel Chiappini, Stephen Copulos, Richard Crookes and John de Vries and consultant Anthony Hall (or their nominees) as approved by shareholders on 3 January 2018	\$0.06 per Share	Amount raised: \$540,000 Amount spent: \$Nil Use of funds: Working capital for definitive feasibility study, capital raising part of placement announced in November 2017. Amount remaining: \$540,000 Proposed use of remaining funds: working capital
Issue – 7 March 2018 Appendix 3B – 7 March 2018	2,400,000	Performance Shares ⁵	Former Chief Executive Officer, Steven Tambanis	Not applicable	Consideration: Issued as part of termination arrangements of former Chief Executive Officer. Non-cash consideration value at issue: \$120,000 Current value ⁶ : \$76,800
Issue – 3 and 6 September 2018 Appendix 3B – 6 September 2018	78,125,000 (being, 44,373,470 under 7.1A and 33,751,530 under 7.1)	Shares ²	Sophisticated and institutional investors	\$0.032 per Share	Amount raised: \$2,500,000 Amount spent: \$-150,000 Use of funds: Project development, permitting and mining licence process and progress offtake and working capital Amount remaining = \$2,350,000 Proposed use of remaining funds ⁷ : As noted above.


Notes:

- Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.

2. Fully paid ordinary shares in the capital of the Company, ASX Code: BKT (terms are set out in the Constitution).
3. Unquoted Options, exercisable at \$0.10 each, on or before 31 August 2020 (subject to the satisfaction of certain vesting conditions). The full terms and conditions were disclosed in the Company's notice of annual general meeting dated 30 October 2017.
4. In respect of unquoted Equity Securities the value of Options is measured using the Binomial option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the impact of dilution, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the Option. No account is taken of any performance conditions included in the terms of the Option other than market based performance conditions (i.e. conditions linked to the price of Shares).
5. Performance Shares to acquire Shares (which vest upon satisfaction of performance conditions relating to offtake agreement, pre-feasibility study conditions and the VWAP of Shares trading above \$0.30), on or before 31 August 2018. The full terms and conditions were disclosed in the Company's notice of meeting dated 6 October 2016.
6. In respect of unquoted Equity Securities the value of Performance Shares is measured using the Binomial option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the impact of dilution, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the Option. No account is taken of any performance conditions included in the terms of the Option other than market based performance conditions (i.e. conditions linked to the price of Shares).
7. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.

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

Lodge your vote:

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

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

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

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

For all enquiries call:
(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

XX



Vote and view the annual report online

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



Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I9999999999 PIN: 99999

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

 **For your vote to be effective it must be received by 11:00am (AEDT) Monday, 5 November 2018**

How to Vote on Items of Business

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

Appointment of Proxy

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

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

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

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

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

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

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

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

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

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

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

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

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



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf XX

I/We being a member/s of Black Rock Mining Limited hereby appoint

the Chairman of the Meeting **OR**

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Black Rock Mining Limited to be held at the Australian Institute of Company Directors, Business Centre, Level 1, 20 Bond St, Sydney, New South Wales on Wednesday, 7 November 2018 at 11:00am (AEDT) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1 and 10 - 12 (except where I/we have indicated a different voting intention below) even though Resolutions 1 and 10 - 12 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1 and 10 - 12 by marking the appropriate box in step 2 below.

STEP 2 Items of Business **PLEASE NOTE:** If you mark the Abstain box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

ORDINARY BUSINESS

		For	Against	Abstain		For	Against	Abstain	
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 8	Issue of Shares to Related Party - Gabriel Chiappini	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director - Richard Crookes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 9	Issue of Shares to Unrelated Party - Anthony Hall	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of prior issue of Placement Shares - Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 10	Issue of Options to Related Party - John De Vries	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of prior issue of Placement Shares - Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 11	Issue of Options to Related Party - Richard Crookes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Issue of Shares to Related Party - John De Vries	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 12	Issue of Options to Related Party - Gabriel Chiappini	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Issue of Shares to Related Party - Richard Crookes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 13	Issue of Options to Unrelated Party - Anthony Hall	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Issue of Shares to Related Party - Stephen Copulos	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 14	Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

Individual or Securityholder 1 <input style="width: 90%; height: 20px;" type="text"/>	Securityholder 2 <input style="width: 90%; height: 20px;" type="text"/>	Securityholder 3 <input style="width: 90%; height: 20px;" type="text"/>
Sole Director and Sole Company Secretary	Director	Director/Company Secretary

Contact Name _____ Contact Daytime Telephone _____ Date ____/____/____