



GENESIS MINERALS LIMITED

ACN 124 772 041

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

TIME: 3.00 pm (WST)

DATE: 23 November 2018

PLACE: London House Conference Room, Ground Floor, 216 St Georges Terrace, Perth,
Western Australia

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 on (+61 8) 9322 6178.

CONTENTS PAGE

Notice of Annual General Meeting	2
Explanatory Statement	5
Glossary	15

TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of Shareholders to which this Notice of Meeting relates will be held at 3.00 pm (WST) on 23 November 2018 at:

London House Conference Room, Ground Floor, 216 St Georges Terrace, Perth, Western Australia

YOUR VOTE IS IMPORTANT

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

VOTING IN PERSON

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

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- (a) post to Genesis Minerals Limited, PO Box 937, West Perth, WA 6872; or
- (b) email to gjames@genesisminerals.com.au,

so that it is received not later than 3.00 pm (WST) on 21 November 2018.

Proxy Forms received later than this time will be invalid.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders will be held at 3.00 pm (WST) on 23 November 2018 at the London House Conference Room, Ground Floor, 216 St Georges Terrace, Perth, Western Australia.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

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 as Shareholders at 5.00 pm (WST) on 21 November 2018.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

AGENDA

1. ANNUAL REPORT

To receive and consider the financial report of the Company together with the reports of the Directors and the auditor for the financial year ended 30 June 2018.

2. RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT

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

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the remuneration report for the financial year ended 30 June 2018 be adopted”.

Short Explanation: The Remuneration Report is in the Directors' Report section of the Company's Annual Report. Listed companies are required to put the Remuneration Report to the vote for adoption at the Company's Annual General Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement: Subject to the below, 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, any of those persons may cast a vote on the Resolution if:

- (a) the person does so as a proxy validly appointed in writing that specifies how the proxy is to vote on the proposed resolution; and
- (b) the vote is not cast on behalf of a person described in paragraphs (a) or (b) above.

If you appoint the Chair as your proxy, the Company encourages you to direct the Chair how to vote on this advisory Resolution. The Chair, as one of the Key Management Personnel, is not permitted to cast any votes in respect of this advisory Resolution that arise from undirected proxies held unless the proxy expressly authorises the Chair to do so.

3. RESOLUTION 2 – ELECTION OF GERRY KACZMAREK AS A DIRECTOR

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

“That, Mr Gerry Kaczmarek, a director of the Company who was appointed on 20 March 2018, and in accordance with the Constitution and for all other purposes, retires and offers himself for election, be elected as a Director”.

4. RESOLUTION 3 – RE-ELECTION OF CRAIG BRADSHAW AS A DIRECTOR

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

“That, Mr Craig Bradshaw, a director of the Company who retires in accordance with the Constitution and Listing Rule 14.4, and being eligible, offers himself for re-election, be re-elected as a Director”.

5. RESOLUTION 4 – RATIFICATION OF TRANCHE 1 PLACEMENT SHARES

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

*“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 80,795,549 fully paid ordinary shares (**Tranche 1 Shares**) in the capital of the Company, on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”*

Voting exclusion statement: The Company will disregard any votes cast in favour on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by:

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

6. RESOLUTION 5 – RATIFICATION OF TRANCHE 2 PLACEMENT SHARES

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

*“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 75,454,451 fully paid ordinary shares (**Tranche 2 Shares**) in the capital of the Company, on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”*

Voting exclusion statement: The Company will disregard any votes cast in favour on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by:

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

7. RESOLUTION 6 – RATIFICATION OF PLACEMENT OPTIONS

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

*“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 10,000,000 options (**Placement Options**), on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”*

Voting exclusion statement: The Company will disregard any votes cast in favour on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by:

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

8. RESOLUTION 7 – APPROVAL TO ISSUE OPTIONS TO GERRY KACZMAREK

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Directors to issue 2,800,000 options to subscribe for fully paid ordinary shares in the Company to Mr Gerry Kaczmarek (or his nominee), on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”

Voting exclusion statement: The Company will disregard any votes cast in favour on this Resolution by Mr Gerry Kaczmarek (or his nominee) and any associates of those persons. However, the Company need not disregard a vote if it is cast by:

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

9. RESOLUTION 8 – APPROVAL OF 10% PLACEMENT FACILITY

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

"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities 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 accompanying this Notice of Meeting."

Voting exclusion statement: The Company will disregard any votes cast in favour on this Resolution by 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, and any associates of those persons. However, the Company need not disregard a vote if it is cast by:

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

Important note: The proposed allottees of any Equity Securities under this 10% placement facility are not as yet known or identified. In these circumstances (and in accordance with the note set out in Listing Rule 14.11.1 relating to Listing Rules 7.1 and 7.1A), for a person's vote to be excluded, it must be known that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case for any Equity Securities issued under this 10% placement facility), Shareholders must consider the proposal on the basis they may or may not get a benefit and it is possible their holding will be diluted, and there is no reason to exclude their votes.

DATED: 23 OCTOBER 2018
BY ORDER OF THE BOARD



GEOFF JAMES

COMPANY SECRETARY

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 3.00 pm (WST) on 23 November 2018 at the London House Conference Room, Ground Floor, 216 St Georges Terrace, Perth, Western Australia.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

1. ANNUAL REPORT

Section 317 of the Corporations Act requires the reports of the Directors and of the auditors and the Annual Report, including the financial statements, to be put before the Annual General Meeting. The Constitution also provides for those reports and statements to be received and considered at the Annual General Meeting. Neither the Corporations Act nor the Constitution requires a vote of Shareholders at the Annual General Meeting on the reports or statements. However, Shareholders will be given a reasonable opportunity to raise questions on the reports and the statements at the Annual General Meeting.

The Company's 2018 Annual Report is available at www.genesisminerals.com.au. Those Shareholders that elected to receive a printed copy of the Annual Report will have received a copy with this Notice of Annual General Meeting or alternatively it will be mailed separately to you.

2. RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT

The Remuneration Report is in the Directors' Report section of the Company's Annual Report.

By way of summary, the Remuneration Report:

- (a) explains the Company's remuneration policy and the process for determining the remuneration of its Directors and executive officers;
- (b) addresses the relationship between the Company's remuneration policy and the Company's performance; and
- (c) sets out remuneration details for each Director and each of the Company's executives named in the Remuneration Report for the financial year ended 30 June 2018.

Section 250R(2) of the Corporations Act requires companies to put a resolution to their members that the Remuneration Report be adopted. The vote on this resolution is advisory only and does not bind the Board or the Company. However, the Board will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies.

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

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution that a further meeting is held at which all of the Company's Directors (other than the Managing Director) must go up for re-election. Voting on this resolution will be determined by a poll at the meeting rather than a show of hands and, if it is passed, the additional meeting must be held within 90 days to determine whether or not each of those Directors is re-elected.

The Remuneration Report for the year ended 30 June 2017 did not receive a vote of more than 25% against its adoption at the Company's last annual general meeting held on 30 November 2017. Accordingly, if at least 25% of the votes cast on Resolution 1 are against adoption of the Remuneration Report, it will not result in the Company putting a spill resolution to Shareholders.

Undirected proxies

The Chair intends to exercise all undirected proxies in favour of Resolution 1. If the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1, by signing and returning the Proxy Form, you will be deemed to have provided the Chair with an express authorisation to vote the proxy in accordance with the Chair's intention.

Any undirected proxies held by any other Key Management Personnel or any of their Closely Related Parties will not be voted on this resolution.

The Remuneration Report identifies the Key Management Personnel for the financial year to 30 June 2018.

3. RESOLUTION 2 – ELECTION OF GERRY KACZMAREK AS A DIRECTOR

Mr Gerry Kaczmarek was appointed as a Non-Executive Director by the Board on 20 March 2018. In accordance with the Company's Constitution, a Director appointed by the Board holds office until the next Annual General Meeting, at which time he must retire and is then eligible for election at that Annual General Meeting. Mr Kaczmarek seeks election as a Director on this basis.

Mr Kaczmarek has almost 40 years' experience working predominantly in the resource sector and specialising in accounting and finance and company management with several emerging and leading mid-tier Australian gold companies. He was Chief Financial Officer and Company Secretary for Saracen Mineral Holdings from 2012 to 2016. He served as Chief Financial Officer and Company Secretary at Troy Resources from 1998 to 2008 and has recently returned to that role. Earlier in his career, he held a range of

positions with the CRA/Rio Tinto group and was Chief Financial Officer for a number of other Mid-Tier and Junior Mining Companies.

The Board (with the exception of Mr Kaczmarek) recommends that Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 – RE-ELECTION OF CRAIG BRADSHAW AS A DIRECTOR

Listing Rule 14.4 and the Company's Constitution provide that a re-election of Directors must be held at each Annual General Meeting. The Directors to retire are to be those who have been in office for 3 years since their appointment or last re-appointment, or 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, by agreement. Mr Craig Bradshaw, Non-Executive Director of the Company, retires from office in accordance with these requirements and, being eligible, offers himself for re-election by Shareholders as a Director, with effect from the end of the Annual General Meeting.

Mr Bradshaw is a mining engineer with more than 23 years' experience in the Australian and international mining industry. During his career, he has held numerous senior operational and executive roles with a range of companies and spanning several different commodities. He was Chief Operating Officer for Saracen Mineral Holdings from 2013 to 2017, a leading mid-tier gold producer. Prior to joining Saracen, Mr Bradshaw was Chief Operating Officer for Inter Mining and Navigator Resources, Operations Manager at St Ives Gold Mines for Gold Fields Australia, Mining Manager for Albidon at the Munal Nickel Project in Zambia and Chief Operating Officer for Fox Resources. He also worked for WMC Limited at the Perseverance Nickel Mine and Leinster Nickel Operations. He is currently the CEO of Adaman Resources, a privately owned resource investment company.

The Board (with the exception of Mr Bradshaw) recommends that Shareholders vote in favour of Resolution 3.

5. RESOLUTIONS 4 AND 5 – RATIFICATION OF TRANCHE 1 AND TRANCHE 2 PLACEMENT SHARES

5.1 Background

On 13 April 2018, the Company announced a share placement to institutional and sophisticated investors of up to 156,250,000 fully paid ordinary shares at an issue price of \$0.032 per share to raise \$5 million (before costs). The shares were issued to fund ongoing drilling and feasibility study activities for the Ulysses Gold Project. In addition 10,000,000 unlisted options at \$0.0001 per option were issued to the lead manager of the share placement.

The shares and options were issued under the ASX Listing Rules as follows:

- 80,795,549 shares were issued under Listing Rule 7.1 (**Tranche 1 Shares**) and are the subject of Resolution 4;
- 75,454,451 shares were issued under Listing Rule 7.1A (**Tranche 2 Shares**) and are the subject of Resolution 5; and
- 10,000,000 options were issued under Listing Rule 7.1 (**Placement Options**) and are the subject of Resolution 6.

Resolutions 4 and 5 seek Shareholder ratification of the issue of the Tranche 1 and Tranche 2 Shares.

5.2 ASX Listing Rules 7.1 and 7.1A

Subject to certain exceptions, Listing Rule 7.1 prevents a company from issuing or agreeing to issue new securities, or other securities with rights of conversion to equity (such as options), in any 12 month period which amount to more than 15% of the company's ordinary securities on issue without shareholder approval.

Listing Rule 7.1A permits eligible entities, which have obtained shareholder approval by special resolution at the company's annual general meeting, to issue equity securities up to an additional 10% of its issued capital by placements over a 12 month period after the annual general meeting (**10% Placement Capacity**).

Approval for the 10% Placement Capacity may only be obtained at the company's annual general meeting. The Company previously received Shareholder approval for the 10% Placement Capacity at the annual general meeting held on 30 November 2017.

5.3 ASX Listing Rule 7.4

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval under Listing Rules 7.1 and 7.1A provided the issue did not breach Listing Rules 7.1 and 7.1A. The effect of such ratification is to restore a company's maximum discretionary power to issue further securities up to the limit imposed by Listing Rules 7.1 and 7.1A. The Company confirms the issue of the Tranche 1 and Tranche 2 Shares the subject of Resolutions 4 and 5 did not breach Listing Rules 7.1 or 7.1A.

The Company wishes to ratify the issue of the Tranche 1 and Tranche 2 Shares the subject of Resolutions 4 and 5 pursuant to Listing Rule 7.4, in order to allow the Company to have the right to place up to a further 15% of its issued capital under Listing Rule 7.1 and the right to place up to a further 10% of its issued capital under Listing Rule 7.1A.

The following information is provided to Shareholders for the purposes of Listing Rule 7.5:

- on 20 April 2018 the Company issued a total of 138,281,250 fully paid ordinary shares consisting of 62,826,799 Tranche 1 Shares and 75,454,451 Tranche 2 Shares. A further 17,968,750 Tranche 1 Shares were issued on 10 May 2018;
- the Tranche 1 and Tranche 2 Shares were issued at a price of \$0.032 per share, raising a total of \$5,000,000 (before costs);
- the Tranche 1 and Tranche 2 Shares are fully paid ordinary shares that rank equally in all respects with the Company's existing Shares;

- (d) the Tranche 1 and Tranche 2 Shares were issued to institutional, sophisticated and professional investors. The investors were determined by the Board and included clients of Argonaut Securities, the lead manager of the share placement and other participating brokers;
- (e) the Tranche 1 and Tranche 2 Shares were issued to fund the advancement of the Ulysses Gold Project as set out in the ASX announcement dated 13 April 2018; and
- (f) a voting exclusion statement has been included in the Notice of Meeting for the purposes of Resolutions 4 and 5.

5.4 Directors' Recommendation

The Directors believe Resolutions 4 and 5 are in the best interests of the Company and its Shareholders and unanimously recommend Shareholders vote in favour of the Resolutions.

6. RESOLUTION 6 – RATIFICATION OF PLACEMENT OPTIONS

6.1 Background

Resolution 6 seeks Shareholder ratification of the issue of the Placement Options as set out in section 5.1 above.

6.2 ASX Listing Rule 7.1

Subject to certain exceptions, Listing Rule 7.1 prevents a company from issuing or agreeing to issue new securities, or other securities with rights of conversion to equity (such as options), in any 12 month period which amount to more than 15% of the company's ordinary securities on issue without shareholder approval.

6.3 ASX Listing Rule 7.4

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval under Listing Rule 7.1, provided the issue did not breach Listing Rule 7.1. The effect of such ratification is to restore a company's maximum discretionary power to issue further securities up to the limit imposed by Listing Rule 7.1. The Company confirms the issue of the Placement Options the subject of Resolution 6 did not breach Listing Rule 7.1.

The Company wishes to ratify the issue of the Placement Options the subject of Resolution 6 pursuant to Listing Rule 7.4, in order to restore its ability to issue securities under Listing Rule 7.1 to the extent of the number of Options the subject of the ratification.

The following information is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) on 20 April 2018 the Company issued 10,000,000 unquoted options (Placement Options);
- (b) the Placement Options were issued at a price of \$0.0001 each;
- (c) the terms of the Placement Options are as follows:
 - each Option entitles the holder to acquire one Share upon exercise of that Option;
 - the exercise price per Option is \$0.048;
 - the Options vested on issue and expire on 31 July 2020;
 - Options may be exercised at any time prior to expiry by completing an Option exercise form and delivering it, together with the payment of the corresponding exercise price for the number of Shares for which the Options are exercised, to the registered office of the Company;
 - The Company shall as soon as practicable, and no later than within 10 business days of the exercise of the Options, allot the resultant Shares;
 - All Shares issued upon exercise of the Options will, from the date they are issued, rank *pari passu* in all respects with the Company's then issued Shares. The Company will apply for official quotation by ASX of all Shares issued upon exercise of the Options;
 - The optionholder will be entitled to participate in any new issue of securities to existing holders of Shares in the Company provided the optionholder has exercised their Options prior to the record date for determining entitlements. The Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 4 business days after the issue is announced. This will give the Option holder the opportunity to exercise Options prior to the date for determining entitlements to participate in any such issue;
 - The Options do not confer on the holder any right to participate in dividends until Shares are allotted pursuant to the exercise of the Options;
 - If the Company makes a bonus share issue, a rights issue or any other similar issue of rights or entitlements, there will be no adjustment to the exercise price, the number of Shares per Option or any other terms of those Options;
 - On a reorganisation of the Company's capital, the rights of optionholders (including the number of Options and the exercise price) will be changed to the extent necessary to comply with the Listing Rules;
 - Subject to the Corporations Act and the Listing Rules, the Options are transferable at any time; and
 - The Options will not be listed for quotation on the ASX.
- (d) the Placement Options were issued to Argonaut Securities for services rendered as lead manager for the Placement;
- (e) the funds raised will be used to fund the advancement of the Ulysses Gold Project as set out in the ASX announcement dated 13 April 2018; and
- (f) a voting exclusion statement has been included in the Notice of Meeting for the purposes of Resolution 6.

6.4 Directors' Recommendation

The Directors believe Resolution 6 is in the best interests of the Company and its Shareholders and unanimously recommend Shareholders vote in favour of this Resolution.

7. RESOLUTION 7 – APPROVAL TO ISSUE OPTIONS TO GERRY KACZMAREK

7.1 Background

Resolution 7 seeks Shareholder approval in accordance with Listing Rule 10.11 for the issue of Options to Gerry Kaczmarek, non-executive Director of the Company.

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

Tranche	Number of Options	Exercise Price	Vesting Date	Expiry Date
1	800,000	Note (i)	Vest on issue date	24 months after issue date
2	800,000	Note (i)	Vest 12 months after issue date	36 months after issue date
3	1,200,000	Note (i)	Vest 24 months after issue date	48 months after issue date
Total	2,800,000			

Note (i): The exercise price of the Options will be equal to 40% (Tranche 1), 50% (Tranche 2) and 60% (Tranche 3) premiums to the VWAP of Shares on ASX for the 30 Trading Days prior to the date of issue.

The purpose of the issue of the Options is to allow the Company to provide a cost effective incentive for the ongoing dedication and efforts of Mr Kaczmarek and to align his interests with increases in the Company's share price. The Options will generally only be of benefit if Mr Kaczmarek performs to the level whereby the value of the Company increases sufficiently to warrant exercising the Options. The exercise prices of the Options have been set to ensure the Options will only be exercised if strong Shareholder returns have been delivered.

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

7.2 ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of any securities (including Options) to a related party of the Company.

If Resolution 7 is passed, Options will be issued to Mr Kaczmarek, a related party by virtue of being a director of the Company. Accordingly, approval for the issue of Options is required pursuant to ASX Listing Rule 10.11.

Approval pursuant to ASX Listing Rule 7.1 is not required in respect of the Options the subject of Resolution 7 as approval is being sought under ASX Listing Rule 10.11 (and where approval is given under Listing Rule 10.11, it is not separately required under Listing Rule 7.1). Shareholders should note that the issue of the Options (the subject of Resolution 7) will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1.

7.3 ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided to Shareholders in relation to Resolution 7:

- (a) the options will be granted to Mr Gerry Kaczmarek (or his nominee);
- (b) the maximum number of Options that may be issued by the Company under Resolution 7 is 2,800,000;
- (c) the Options will be issued no later than one month after the date of the Annual General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated that allotment will occur on one date;
- (d) Mr Kaczmarek is a director of the Company and is therefore a Related Party of the Company;
- (e) the Options will be issued for nil consideration as they will be issued to provide an incentive for Mr Kaczmarek's prior and ongoing commitments and dedication to the continued growth of the Company. The Board considers the issue of Options to be reasonable in the circumstances, to assist the Company in attracting and retaining the highest calibre of directors to the Company, whilst maintaining the Company's cash reserves;
- (f) the Options will otherwise be issued on the terms and conditions set out in section 7.5 of this Explanatory Statement;
- (g) no funds will be raised by the issue of the Options, although funds will be raised to the extent that the Options are eventually exercised. The precise amount raised in the event of exercise of the Options will depend on the number of Options eventually exercised and the exercise price for those Options; and
- (h) a voting exclusion statement is included in the Notice.

7.4 Chapter 2E of the Corporations Act

Pursuant to Chapter 2E of the Corporations Act, a public company cannot give a “financial benefit” to a “related party” unless one of the exceptions to that section apply or shareholders have in general meeting approved the giving of that financial benefit to the related party.

The issue of the Options to any of the Directors or their nominees constitutes a “financial benefit” as defined in the Corporations Act. Each Director is a “related party” of the Company.

It is the view of the Directors that the exceptions under section 211 of the Corporations Act (reasonable remuneration) apply to the proposed issue of the Options under Resolution 7. Accordingly, the Directors have resolved not to seek Shareholder approval under section 208 of the Corporations Act to permit the issue of the Options to Mr Kaczmarek.

The Company provides the following additional information in relation to Resolution 7:

- (a) The related party to whom the Options will be granted to is Mr Gerry Kaczmarek (or his nominee).
- (b) The nature of the financial benefit to be provided is the grant of 2,800,000 Options, for no cash consideration.
- (c) The proposed grant of the Options to Mr Kaczmarek will be made pursuant to the terms and conditions set out in section 7.5 of this Explanatory Statement.
- (d) As at the date of the Notice, the capital structure of the Company is as follows:

Capital	Number
Ordinary Shares	910,794,512
Options exercisable at 3.9 cents and expiring 13 December 2019	4,800,000
Options exercisable at 4.8 cents and expiring 31 July 2020	10,000,000
Options exercisable at 4.2 cents and expiring 13 December 2020	4,800,000
Options exercisable at 4.5 cents and expiring 13 December 2021	6,000,000

If Shareholders approve Resolution 7, the issued capital of the Company will be as follows:

Capital	Number
Ordinary Shares	910,794,512
Options exercisable at 3.9 cents and expiring 13 December 2019	4,800,000
Options exercisable at 4.8 cents and expiring 31 July 2020	10,000,000
Options exercisable at 4.2 cents and expiring 13 December 2020	4,800,000
Options exercisable at 4.5 cents and expiring 13 December 2021	6,000,000
Options exercisable at various prices the subject of Resolution 7	2,800,000

- (e) If Shareholders approve the grant of Options and all are ultimately exercised, the effect will be to dilute the shareholding of existing Shareholders by approximately 0.31% on an undiluted basis and based on the number of Shares on issue (as at the date of the Notice) assuming no existing Options are exercised and no other securities are issued by the Company in the meantime.
- (f) The primary purpose of the grant of the Options is to allow the Company to provide a cost effective incentive for the ongoing dedication and efforts of Mr Kaczmarek whilst directly aligning his long term interests with the strategic objectives of the Company. The number of Options to be issued has been determined based upon consideration of Mr Kaczmarek’s experience, the current market price of the Company’s Shares and current market practice when determining the terms of the Options.
- (g) As at the date of this Notice, Mr Kaczmarek holds 200,000 Shares and nil Options in the Company.
- (h) As at the date of this Notice, the current level of Directors’ fees per annum (including superannuation) for Mr Kaczmarek is \$32,850.
- (i) The Company has valued the Options to be granted using the Black-Scholes option pricing model based upon the following inputs and assumptions:
 - Valuation date is 15 October 2018.
 - Number of Options is 2,800,000.
 - Share price at date of valuation is \$0.040.
 - Exercise price of \$0.0525 (Tranche 1), \$0.0563 (Tranche 2) and \$0.0600 (Tranche 3) based on 40%, 50% and 60% premium to the 30 Trading Day VWAP as at the valuation date of \$0.0375.
 - Expected life of the Options is 24 months (Tranche 1), 36 months (Tranche 2) and 48 months (Tranche 3).
 - Share price volatility of 100%.
 - Risk-free interest rate of 2.03% (Tranche 1), 2.08% (Tranche 2) and 2.30% (Tranche 3).
 - Dividend yield is nil.

Any change in the variables applied in the Black – Scholes calculation between the date of the valuation and the date the Options are granted would have an impact on their valuation. Having regard to the factors set out above, and using the Black - Scholes option pricing model, the value of the Options proposed to be issued is \$57,800 with details set out in the following table:

	Tranche 1	Tranche 2	Tranche 3	Total
Number of Options in Tranche	800,000	800,000	1,200,000	2,800,000
Exercise price per Option in Tranche	\$0.0525 ¹ 40% premium to 30 day VWAP	\$0.0563 ¹ 50% premium to 30 day VWAP	\$0.0600 ¹ 60% premium to 30 day VWAP	
Value per Option	\$0.0168	\$0.0205	\$0.0233	
Vesting date of Options in Tranche	issue date	12 months after issue date	24 months after issue date	
Expiry Date of Options in Tranche	24 months after issue date	36 months after issue date	48 months after issue date	
Valuation	\$13,440	\$16,400	\$27,960	\$57,800

¹ The actual exercise price will be equal to 40% (Tranche 1), 50% (Tranche 2) and 60% (Tranche 3) premiums to the VWAP of Shares on ASX for the 30 Trading Days prior to the date of issue.

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

	Date	Price
Highest	25 July 2018	\$0.057
Lowest	9 November 2017	\$0.024
Last Trading Price	23 October 2018	\$0.040

- (k) Under the Australian Equivalent of the International Financial Reporting Standards, the Company is required to expense the value of the Options in its statement of financial performance for the current financial year.
- (l) Other than as disclosed in this Explanatory Statement, the Directors do not consider that from an economic and commercial point of view, there are any costs or detriments including opportunity costs or taxation consequences for the Company or benefits foregone by the Company in granting the Options pursuant to Resolution 7.
- (m) Gerry Kaczmarek declines to make a recommendation to Shareholders in relation to Resolution 7 due to his material personal interest in the outcome of the Resolution. The other Directors, who do not have a material interest in the outcome of Resolution 7, recommend that Shareholders vote in favour of Resolution 7. The Board (other than Gerry Kaczmarek) 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 the Resolution.

7.5 Terms and Conditions of the Options

The terms of issue of the Options are as follows:

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

Tranche	Number of Options	Exercise Price	Vesting Date	Expiry Date
1	800,000	Note (i)	Vest on issue date	24 months after issue date
2	800,000	Note (i)	Vest 12 months after issue date	36 months after issue date
3	1,200,000	Note (i)	Vest 24 months after issue date	48 months after issue date
Total	2,800,000			

Note (i): The exercise price of the Options will be equal to 40% (Tranche 1), 50% (Tranche 2) and 60% (Tranche 3) premiums to the VWAP of Shares on ASX for the 30 Trading Days prior to the date of issue.

- (c) On the occurrence of a change of control event in relation to the Company, all Options which have not yet vested will vest immediately. These events are defined as an unconditional takeover offer being made for Shares in the Company, any merger transaction or scheme of arrangement recommended by the Board for the Shares in the Company or a person, or a group of associated persons becoming entitled to sufficient Shares to give it or them the ability, and that ability is successfully exercised, in a general meeting, to replace all or a majority of the Board; or gaining the ability to control more than 50% of the voting power (as defined in the Corporations Act) in the Company.
- (d) Options may be issued to a permitted nominee of a Director. A permitted nominee is a third party nominated by the Director and approved by the Board in its absolute discretion.
- (e) Options that have vested may be exercised at any time prior to expiry by completing an Option exercise form and delivering it, together with the payment of the corresponding exercise price for the number of Shares for which the Options are exercised, to the registered office of the Company.

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

8. RESOLUTION 8 – APPROVAL OF 10% PLACEMENT FACILITY

8.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of their issued share capital through placements over a 12 month period after the annual general meeting at which shareholder approval is obtained for the purposes of that Listing Rule (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company previously received Shareholder approval for the 10% Placement Facility at its previous annual general meeting held on 30 November 2017 and this approval will expire on 30 November 2018 (or earlier if Shareholders approve a transaction under Listing Rule 11.1.2 or Listing Rule 11.2).

The Company is now seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 8.2(c) below).

The Directors believe that Resolution 8 is in the best interests of the Company because of the flexibility it provides the Company to issue further securities representing up to 10% of the Company's Share capital during the next 12 months. The Directors unanimously recommend that Shareholders vote in favour of this Resolution.

8.2 Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an annual general meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company. The Company, as at the date of the Notice, has on issue two classes of Equity Securities, being Shares (ASX: GMD) and unlisted options.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

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

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

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

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

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice, the Company has on issue 910,794,512 Shares. If Resolution 8 is passed and excluding the impacts of passing Resolutions 4, 5 and 6, the Company will be permitted to issue (as at the date of this Notice):

- (i) 22,386,128 Equity Securities under Listing Rule 7.1; and
- (ii) Nil Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 8.2(c) above).

(e) Minimum Issue Price

The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 trading days 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 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (a) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (b) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking) (10% Placement Period).

8.3 Listing Rule 7.1A

The effect of Resolution 8 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 8 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

8.4 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

(a) Minimum Issue Price

The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 trading days 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 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(b) Risk of economic and voting dilution

If Resolution 8 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Options, only if the Options are exercised). There is a risk that:

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

The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice of Meeting.

The table also shows:

- (i) two examples, where variable "A" has increased by 50% and by 100%. Variable "A" is based on the number of Shares the Company has on issue. The number of Shares on issue may increase as a result of issues of Shares 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, where the issue price of Shares has decreased by 50% and increased by 50% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.02 50% decrease in Issue Price	\$0.04 Current Market/ Issue Price	\$0.06 50% increase in Issue Price
Current Variable A 910,794,512 Shares	10% Voting Dilution	91,079,451 shares	91,079,451 shares	91,079,451 shares
	Funds raised	\$1,821,589	\$3,643,178	\$5,464,767
50% increase in current Variable A 1,366,191,768 Shares	10% Voting Dilution	136,619,177 shares	136,619,177 shares	136,619,177 shares
	Funds raised	\$2,732,384	\$5,464,767	\$8,197,151
100% increase in current Variable A 1,821,589,024 Shares	10% Voting Dilution	182,158,902 shares	182,158,902 shares	182,158,902 shares
	Funds raised	\$3,643,178	\$7,286,356	\$10,929,534

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No Options (including any Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities.
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Annual General Meeting.
- (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares.
- (vii) The current market price is \$0.04, being the closing price of the Shares on ASX on 23 October 2018.

(c) Period within which the 10% Placement Facility can be implemented

The Company will only issue the Equity Securities during the 10% Placement Period. The approval under Resolution 8 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).

(d) Purpose for which the 10% Placement Facility may be implemented

The Company may seek to issue the Equity Securities for the following purposes:

- (i) non-cash consideration for the acquisition of new assets, (including the expenses associated with such acquisition), continued exploration, feasibility study and project development expenditure on the Company's

- current assets and/or for general working capital. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
- (ii) cash consideration to raise funds for the acquisition of new assets, (including the expenses associated with such acquisition), continued exploration, feasibility study and project development expenditure on the Company's current assets and/or for general working capital.

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 when the 10% Placement Facility may be implemented

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. 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 the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company. Further, if the Company is successful in acquiring new resources assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new resources assets or investments.

(f) Details of Equity Securities Issued During Past 12 Months

During the past 12 months prior to the date of the Annual General Meeting, and assuming no further issue of securities between the date of this Notice of Meeting and the date of the Annual General Meeting, the Company issued 189,050,000 Equity Securities representing 25.05% of the total number of Equity Securities on issue 12 months ago, being 30 November 2017. The following table sets out the details of the Equity Securities issued:

Issue Date	Number of Equity Securities Issued	Class of Equity Securities Issued	Names of Persons to Whom Issued Equity Securities	Issue Price	Closing Market Price at Issue Date	Discount to Closing Market Price on Issue Date	Cash Consideration
13/12/2017	16,800,000	Options	Note (i)	Nil	N/A	N/A	Nil
14/12/2017	2,000,000	Ordinary Shares	Note (ii)	\$0.0170	\$0.031	45.16%	\$34,000
21/12/2017	4,000,000	Ordinary Shares	Note (ii)	\$0.0170	\$0.030	43.33%	\$68,000
20/04/2018	138,281,250	Ordinary Shares	Note (iii)	\$0.0320	\$0.034	5.88%	\$4,425,000
20/04/2018	10,000,000	Options	Note (iv)	\$0.0001	N/A	N/A	\$1,000
10/05/2018	17,968,750	Ordinary Shares	Note (iii)	\$0.0320	\$0.036	11.11%	\$575,000
TOTAL	189,050,000						

Note:

- (i) Issue of unlisted options to Directors, as approved by Shareholders at the annual general meeting held on 30 November 2017.
- (ii) Exercise of unlisted options at \$0.017 per share. The cash raised was used to fund the advancement of the Ulysses Gold Project.
- (iii) Placement to institutional, sophisticated and professional investors raising a total of \$5,000,000 (before costs). The cash raised was used to fund the advancement of the Ulysses Gold Project as set out in the ASX announcement on 13 April 2018.
- (iv) Issue of unquoted options to Argonaut Securities for services rendered as lead manager for the Placement.

(g) Voting Exclusions

A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities utilising this 10% Placement Facility following the 2018 Annual General Meeting. No existing Shareholder's votes will therefore be excluded under the voting.

GLOSSARY

\$ means Australian dollars.

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

Annual General Meeting means the meeting convened by the Notice of Meeting.

Annual Report means the annual report of the Company for the year ended 30 June 2018.

ASX means ASX Limited.

Board means the board of Directors of the Company.

Chair means the chair of the Annual General 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 Genesis Minerals Limited (ACN 124 772 041).

Constitution means the Company's Constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current Directors of the Company.

Directors' Report means the report of the Directors contained in the Annual Report for the year ended 30 June 2018.

Equity Securities has the same meaning as in the Listing Rules.

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting.

Glossary means this glossary.

Key Management Personnel has the same meaning as in the Accounting Standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listing Rules means the Listing Rules of ASX.

Managing Director means the managing director of the Company.

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

Option means an option to acquire a Share.

Proxy Form means the proxy form accompanying the Notice of Meeting.

Related Party is defined in section 228 of the Corporations Act.

Remuneration Report means the remuneration report in the Directors' Report section of the Company's Annual Report.

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

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

Shareholder means a holder of a Share.

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

VWAP means the volume weighted average trading price of the Shares on ASX.

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

PROXY FORM - GENESIS MINERALS LIMITED ACN 124 772 041

The Company Secretary
Genesis Minerals Limited
PO Box 937, West Perth WA 6872

Ph (+61 8) 9322 6178/gjames@genesisminerals.com.au

I/We being a member(s) of Genesis Minerals Limited and entitled to attend and vote at the Annual General Meeting, hereby appoint

Name of proxy

OR

Mark this box if you wish to appoint the Chair of the Annual General Meeting as your proxy

or failing the person/body corporate so named or, if no person/body corporate is named, the Chair of the Annual General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the Annual General Meeting of the Company to be held at 3.00 pm (WST), on 23 November 2018 at the London House Conference Room, Ground Floor, 216 St Georges Terrace, Perth, Western Australia, and at any adjournment thereof.

Important for Resolutions 1 and 7:

The Chair of the Meeting intends to vote all available proxies in favour of Resolutions 1 and 7. If the Chair of the Meeting is your proxy or is appointed your proxy by default, unless you indicate otherwise by ticking either the 'for', 'against' or 'abstain' box in relation to Resolutions 1 and 7, you will be authorising the Chair to vote in accordance with the Chair's voting intentions on Resolutions 1 and 7 even if the Chair has an interest in Resolutions 1 and 7 which is connected directly with the remuneration of Key Management Personnel.

If you appoint a proxy, the Company encourages you to direct your proxy how to vote on each item of business.

The Chair of the Meeting intends to vote all undirected proxies, which the Chair is entitled to vote, in favour of each item of business.

Voting on Business of the General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Election of Gerry Kaczmarek as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Re-Election of Craig Bradshaw as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Ratification of Tranche 1 Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 – Ratification of Tranche 2 Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 – Ratification of Placement Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 – Approval to Issue Options to Gerry Kaczmarek	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8 – Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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 to be counted in computing the required majority on a poll.

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

SIGNATURE OF SECURITYHOLDERS

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Contact Name _____

Securityholder 2

Director

Contact Telephone _____

Securityholder 3

Director/Company Secretary

Date _____/_____/_____

1. A member entitled to attend and vote at an Annual General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a shareholder of the Company.
2. If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chair of the Meeting, please write the full name of that individual or body corporate in the space provided. If you leave both the box and this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a security holder of the Company. A proxy may be an individual or a body corporate.

If your appointment of a proxy specifies the way the proxy is to vote on a particular resolution and your appointed proxy is not the Chair of the meeting and at the meeting a poll is duly demanded on the question that the resolution be passed, then if either your proxy is not recorded as attending the meeting (if a record of attendance is made) or your proxy does not vote on the resolution, the Chair is taken, before voting on the resolution closes, to have been appointed as your proxy for the purposes of voting on the resolution at that meeting.

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

If you direct your proxy how to vote on a particular resolution, the proxy need not vote on a show of hands but if the proxy does so, the proxy must vote as directed. 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. If the proxy is the Chair, the proxy must vote on a poll, and must vote 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 as directed. If any member of the Key Management Personnel of the Company, other than the Chair of the Meeting, or a Closely Related Party of a member of the Key Management Personnel is your nominated proxy and you have not directed the proxy how to vote on Resolution 1 (Remuneration Report), that person will not cast any votes on Resolution 1.

4. Where a member's holding is in one name the holder must sign. Where the holding is in more than one name, all members must sign.
5. Where a Proxy Form of a corporate representative is lodged and is executed under a power of attorney, the power of attorney must be lodged in like manner as this Proxy Form.
6. Corporate members must comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
 - 2 directors of the company;
 - a director and a company secretary of the company; or
 - for a proprietary company that has a sole director who is also the sole company secretary – that director.

For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

7. 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.
8. To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

(a) post to Genesis Minerals Limited, PO Box 937, West Perth, WA 6872; or

(b) email to gjames@genesisminerals.com.au

so that it is received not later than 3.00 pm (WST) on 21 November 2018.

Proxy forms received later than this time will be invalid.
