



INVESTIGATOR RESOURCES LIMITED

ACN 115 338 979

NOTICE OF ANNUAL GENERAL MEETING

AND

EXPLANATORY MEMORANDUM

Date of Meeting: Thursday 30 November 2017
Time of Meeting: 2.00pm (Adelaide time)
Place of Meeting Grant Thornton
Level 3
170 Frome Street
Adelaide SA 5000

For personal use only



NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Members of Investigator Resources Limited (the Company) will be held at **2:00 pm on Thursday 30 November 2017 at Grant Thornton, Level 3, 170 Frome Street, Adelaide, SA 5000.**

AGENDA

ORDINARY BUSINESS

Financial Statements and Reports

1. Resolution 1: Remuneration Report
2. Resolution 2: Re- election of Mr. Bruce Foy
3. Resolution 3: Re- election of Dr. David Ransom
4. Resolution 4: Re- election of Mr. Kevin Wilson

SPECIAL BUSINESS

5. Resolution 5: Ratify the Issue of Shares under Placement
6. Resolution 6: Approval to Issue options to participants in the Placement
7. Resolution 7: Approval to Issue shares and options to participants in the Share Purchase Plan
8. Resolution 8: Approval to Issue options to the Lead Manager
9. Resolution 9: Issue of Options to Dr. David Meldrum Ransom
10. Resolution 10: Approval of Employee Share and Option Plan
11. Resolution 11: Approval to issue an additional 10% of the issued capital of the Company over a 12 month period pursuant to Listing Rule 7.1A

ORDINARY BUSINESS

Financial Statements and Reports

To receive and consider the Financial Report and the Reports of the Directors and the Auditor in respect of the period ended 30 June 2017 (**Reports**).

Neither the Corporations Act nor the Company's Constitution requires Shareholders to vote on such reports. However Shareholders will be given ample opportunity to raise questions about the Reports at the meeting.

Resolution 1: Remuneration Report

To consider and, if thought fit, to pass the following non-binding ordinary resolution in accordance with Section 250R(2) of the *Corporations Act*:

"That the Company be authorised to adopt the Remuneration Report for the year ended 30 June 2017".

Advisory Vote

The vote on this Resolution 1 is advisory only and does not bind the Directors of the Company.

Voting Restriction pursuant to Section 250R(4) of the Corporations Act

A vote on Resolution 1 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;
- (b) a Closely Related Party of such a member.

However, the above persons may cast a vote on Resolution 1 as a proxy if the vote is not cast on behalf of a person described above and either:

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

Resolution 2: Re- election of Mr. Bruce Foy

To consider and, if thought fit, to pass the following Ordinary Resolution:

"That Mr. Bruce Foy, who retires by rotation in accordance with Clause 117 of the Company's Constitution and Listing Rule 14.4, and being eligible, be re-elected as a Director of the Company."

Resolution 3: Re- election of Dr. David Ransom

To consider and, if thought fit, to pass the following Ordinary Resolution:

"That Dr. David Ransom, who retires in accordance with Clause 110 of the Company's Constitution and Listing Rule 14.4, and being eligible, be re-elected as a Director of the Company."

For personal use only



Resolution 4: Re- election of Mr. Kevin Wilson

To consider and, if thought fit, to pass the following Ordinary Resolution:

“That Mr. Kevin Wilson, who retires in accordance with Clause 110 of the Company’s Constitution and Listing Rule 14.4, and being eligible, be re-elected as a Director of the Company.”

SPECIAL BUSINESS

Resolution 5: Ratify the Issue of Shares under the Placement

To consider and, if thought fit, pass the following resolution, with or without amendment, as an Ordinary Resolution of the Company:

*“That in accordance with the provisions of ASX Listing Rule 7.4, and for all other purposes, the Shareholders ratify the previous issue of one hundred and nine million, ninety thousand, nine hundred and ten (109,090,910) fully paid ordinary shares in the Company (**Placement Shares**) on 25 October 2017 to sophisticated and professional investors on the terms and conditions set out in the Explanatory Memorandum.”*

Voting exclusion statement

The Company will disregard any votes cast on this Resolution by:

- a person (or persons) who participated in the issue under October Placement; and
- any associate of that person (or those persons).

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Resolution 6: Approve the Issue of Placement Options

To consider and, if thought fit, pass the following resolution, with or without amendment, as an Ordinary Resolution of the Company:

*“That in accordance with the provisions of ASX Listing Rule 7.1, and for all other purposes, the Shareholders approve the issue of up to one hundred and nine million, ninety thousand, nine hundred and ten (109,090,910) Options (**Placement Options**) on the terms and conditions set out in the Explanatory Memorandum.”*

Voting exclusion statement

The Company will disregard any votes cast on this Resolution by a person who may participate in the proposed issue or who might obtain a benefit (other than a benefit solely in the capacity as a holder of Shares) and any associates of such person.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

For personal use only



Resolution 7: Approve the Issue of SPP Shares and SPP Options

To consider and, if thought fit, pass the following resolution, with or without amendment, as an Ordinary Resolution of the Company:

*“That in accordance with the provisions of ASX Listing Rule 7.1, and for all other purposes, the Shareholders approve the issue of up to forty five million, four hundred and fifty four thousand, five hundred and forty five (45,454,545) Shares (**SPP Shares**) and up to forty five million, four hundred and fifty four thousand, five hundred and forty five (45,454,545) Options (**SPP Options**) on the terms and conditions set out in the Explanatory Memorandum.”*

Voting exclusion statement

The Company will disregard any votes cast on this Resolution by a person who may participate in the proposed issue or who might obtain a benefit (other than a benefit solely in the capacity as a holder of Shares) and any associates of such person unless the Company is granted a waiver by ASX under Listing Rule 7.3.8 to permit any person who has an interest in this Resolution and ordinarily excluded from voting on this Resolution to vote, on condition that the Company excludes any votes cast on this Resolution by an underwriter or sub-underwriter.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Resolution 8: Approve the Issue of Options to the Lead Manager

To consider and, if thought fit, pass the following resolution, with or without amendment, as an Ordinary Resolution of the Company:

*“That in accordance with the provisions of ASX Listing Rule 7.1, and for all other purposes, the Shareholders approve the issue of up to twenty million (20,000,000) Options to PAC Partners Pty Ltd (or its nominees) (**Lead Manager Options**) on the terms and conditions set out in the Explanatory Memorandum.”*

Voting exclusion statement

The Company will disregard any votes cast on this Resolution by PAC Partners Pty Ltd (or its nominees) and a person who might obtain a benefit (other than a benefit solely in the capacity as a holder of Shares) and any associates of such person.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

For personal use only



Resolution 9: Issue of Options to Dr. David Meldrum Ransom

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company:

*“That in accordance with section 208(1) (Part 2E) of the Corporations Act and Listing Rule 10.11 and for all other purposes, the Company be authorised to issue two million five hundred thousand (2,500,000) Options to Dr David Meldrum Ransom, being a non-executive Director of the Company, or his nominee (**Dr Ransom**) and otherwise on terms set out in the Explanatory Memorandum”.*

Voting exclusion statement

The Company will disregard any votes cast on this Resolution by:

- Dr Ransom; and
- any associate of Dr Ransom.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Further, a vote on this resolution must not be cast as a proxy by or on behalf of any of the following persons:

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

However, a person 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:

- (i) the person is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
- (ii) the person is the chair of the meeting and the appointment of the chair as proxy:
 - does not specify the way the proxy is to vote on the resolution; and
 - expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

Resolution 10: Approval of Employee Share Option Plan (ESOP)

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company:

“That, for the purposes of Exception 9(b) of Listing Rule 7.2 and for all other purposes, Shareholders approve, and authorise the Company to issue Equity Securities to Eligible Persons from time to time, pursuant to the Company’s employee share option plan (ESOP) as summarised in the Explanatory Memorandum, with effect from the date of this Resolution.”

For personal use only



Voting exclusion statement

The Company will disregard any votes cast on this Resolution by:

- any Director; and
- any associate of a Director.
- Any ESOP Participant; and
- Any associate of ESOP Participant

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Further, a vote on this resolution must not be cast as a proxy by or on behalf of any of the following persons:

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

However, a person 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:

- (i) the person is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
- (ii) the person is the chair of the meeting and the appointment of the chair as proxy:

- does not specify the way the proxy is to vote on the resolution; and

expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

Resolution 11: Approval to issue an additional 10% of the issued capital of the Company over a 12 month period pursuant to Listing Rule 7.1A

To consider and, if thought fit, pass the following resolution with or without amendment, as a Special Resolution:

“That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, the Shareholders approve the issue of Equity Securities of up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.” (Placement Securities).”

For personal use only



Voting exclusion statement

The Company will disregard any votes cast on this Special Resolution by a person who may participate in the proposed issue and any person who might obtain a benefit, (except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed), and the associates of any such persons.

However, the Company need not disregard a vote if: it is cast by a person as 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 the direction on the proxy form to vote as the proxy decides.

Important Note:

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

Voting Intention of the Chair for all Resolutions

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the Resolutions the subject of this Meeting, subject to compliance with the Corporations Act.

Record Date - Snap Shot Time

Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) permits the Company to specify a time, not more than 48 hours before the Meeting, at which time a 'snap shot' of Shareholders will be taken for the purposes of determining Shareholder entitlements to vote at the Meeting. The Directors have determined such time will be 7:00pm AEST on Tuesday, 28 November 2017 ("Record Date").

Voting Instructions

Registered holders of the ordinary shares of the Company on the Record Date will be entitled either to attend the Meeting in person to vote the securities held by them or, provided a completed and executed Proxy Form has been delivered to the Company as indicated below, vote their securities by proxy.

Proxy Forms for the Meeting are enclosed with this Notice of Meeting. These Proxy Forms provide further details on appointing a Proxy. Proxy Forms (and the original or a certified copy of the power of attorney if the Proxy Form is signed by an attorney) must be received by the Company, by no later than 2:00 pm (Adelaide time) on Tuesday, 28 November 2017, in accordance with the lodgement instructions detailed on the applicable Proxy Form.

Any Proxy Form received after the relevant time noted above will not be valid for the Meeting.

By order of the Board


Angelo Gaudio
Company Secretary
27 October 2017

For personal use only



EXPLANATORY MEMORANDUM

This Explanatory Memorandum is provided to Shareholders of Investigator Resources Limited (Company) to explain the Resolutions to be put to Shareholders at the Annual General Meeting to be held at **2:00 pm on Thursday 30 November 2017 at Grant Thornton, Level 3, 170 Frome Street Adelaide, SA 5000.**

The Directors recommend Shareholders read the accompanying Notice of Meeting and this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

Terms used in this Explanatory Memorandum are defined in Section 14.

Financial Statements and Reports

The Company's Annual Financial Report, Report of the Directors and the Report of the Auditor for financial year ended 30 June 2017 have been despatched to those Shareholders who requested a copy, released on the ASX and is available on the Company's website (www.investres.com.au).

The Company's Annual Financial Report is placed before the Shareholders for discussion. In accordance with the Corporations Act and the Company's corporate governance policies, Shareholders will be given a reasonable opportunity at the meeting to ask questions or make comments on Company matters.

The Company's auditor, Grant Thornton, will be present and will answer written questions submitted to the Company no later than five business days before the meeting. The auditor will also be available to answer questions from Shareholders relevant to the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

No voting is required for this item.

1. Resolution 1 - Remuneration Report

Remuneration Report

The Remuneration Report which details the remuneration of the Company's Directors, Company Secretary and senior executives is set out in the Investigator Resources Limited 2017 Financial Report, which may be viewed on the Company's website (www.investres.com.au).

The Board has submitted its Remuneration Report to Shareholders for consideration and adoption by way of a non-binding Advisory Resolution. This resolution shall be determined as if it were an Ordinary Resolution, although under Section 250R(3) of the Corporations Act, the vote does not bind the Directors of the Company. However the Board will take the outcome of the vote into consideration when reviewing remuneration practices and policies.

Directors' Recommendation

The voting exclusion statement for Resolution 1 is set out on page 1 of the Notice of Meeting. The Board unanimously recommends that Shareholders vote in favour of Resolution 1. A vote on this Resolution is advisory only and does not bind the Directors of the Company.

2. Resolution 2 - Re- election of Mr. Bruce Foy

Clause 117 of the Company's Constitution and Listing Rule 14.4 requires that at each AGM, one-third of the Directors in office (excluding directors appointed to fill casual vacancies or a Managing Director) must stand for re-election, with Directors required to retire based upon length of tenure.

Mr. Foy retires in accordance with the Company's Constitution and Listing Rule 14.4 and, being eligible, offers himself for re-election as a Director.

Information about Mr. Foy is set out in the Investigator Resources Limited 2017 Financial Report which may be viewed on the Company's website (www.investres.com.au).

Directors' Recommendation

The Directors (other than Mr Bruce Foy) recommend that you vote in favour of this Ordinary Resolution.

For personal use only



3. Resolution 3 - Re- election of Dr. David Ransom

Clause 110 of the Company's Constitution and Listing Rule 14.4 requires that a director who is appointed to fill casual vacancy must not hold office without re-election at the next the next AGM.

Dr. David Ransom, who was appointed as a director on 23 January 2017, retires in accordance with the Company's Constitution and Listing Rule 14.4 and, being eligible, offers himself for re-election as a Director.

Information about Dr. Ransom is set out in the Investigator Resources Limited 2017 Financial Report which may be viewed on the Company's website (www.investres.com.au).

Directors' Recommendation

The Directors (other than Dr. David Ransom) recommend that you vote in favour of this Ordinary Resolution.

4. Resolution 4 - Re- election of Mr. Kevin Wilson

Clause 110 of the Company's Constitution and Listing Rule 14.4 requires that a director who is appointed to fill casual vacancy must not hold office without re-election at the next the next AGM.

Mr. Kevin Wilson, who was appointed as a director on 15 September 2017, retires in accordance with the Company's Constitution and Listing Rule 14.4 and, being eligible, offers himself for re-election as a Director.

Information about Mr. Wilson is set out in the Investigator Resources Limited 2017 Financial Report which may be viewed on the Company's website (www.investres.com.au).

Directors' Recommendation

The Directors recommend that you vote in favour of this Ordinary Resolution.

5. Background to Capital Raising

On 19 October 2017, the Company announced a capital raising comprising:

- a) A placement to sophisticated and professional investors to raise up to \$2.4 Million by the placement of 109,090,910 Shares at an issue price of \$0.022 per Share (**Placement**); and
- b) An offer to Eligible Shareholders via a Securities Purchase Plan (**SPP**) to raise up to \$1.0 Million by the issue of Shares on an equivalent basis to those under the Placement (**SPP Offer**),

(together the **Capital Raising**).

Proceeds received from the Placement and SPP to be allocated primarily to explore for resources extensions of the Paris silver deposit and satellite silver targets with IP geophysics and drilling, in order to expand Paris silver resource to de-risk the feasibility process.

On 25 October 2017 the Company issued 109,090,910 Shares to sophisticated and professional investors (**Placement Shares**) at an issue price of \$0.022 per Placement Share. The terms of the Placement provided that, subject to shareholder approval (under Resolution 6) and subject to the placement holders holding their Placement Shares until the Options are issued, one free attaching Option will be issued for every one Placement Share subscribed for by investors (**Placement Options**). The Placement Options will be offered under a Prospectus.

The Placement Shares were issued under the Company's annual placement capacity. Resolution 5 seeks ratification of the issue of the Placement Shares. Resolution 6 seeks Shareholder approval for the issue of the Placement Options.

In conjunction with the Placement, the Company is providing an opportunity for Eligible Shareholders to participate in raising up to a further \$1.0 Million via the SPP.

The SPP Offer will be made pursuant to a Prospectus.

Under the SPP Offer, Eligible Shareholders may each apply for up to \$15,000 of new Shares at an issue price of \$0.022 per Share (**SPP Shares**) together with one free attaching Option (**SPP Options**) for every one SPP Share subscribed for and issued.



SPP Shares and SPP Options not taken up pursuant to the SPP Offer (**Shortfall Securities**) will form the shortfall (**Shortfall Offer**). The Company may also issue additional Securities under its annual placement capacity under ASX Listing Rule 7.1 as part of the Shortfall Offer. Eligible Shareholders may participate in the Shortfall Offer to be made under a Prospectus to be issued in connection with the SPP.

Resolution 7 seeks Shareholder approval for the issue of the SPP Shares and SPP Options (which includes any Shortfall Securities under the SPP Offer).

6. Resolution 5 - Ratify the Issue of Shares under the Placement

Under the Capital Raising, (as detailed in section 5 of this Explanatory Memorandum), the Company has already issued 50,548,253 Shares in reliance on its capacity pursuant to Listing Rule 7.1 and a further 58,542,657 Shares in reliance on its capacity pursuant to Listing Rule 7.1A. In general terms, Listing Rule 7.1 restricts the Company to issuing securities representing a maximum of 15% of the number of securities on issue in the Company in any 12 month period unless it obtains the prior approval of its members. Listing Rule 7.1A restricts the Company to issuing securities representing an additional maximum of 10% of the number of securities on issue in the Company in any 12 month period unless it obtains the prior approval of its members.

The aggregate amount of securities already issued under the Placement does not exceed the Company's capacity pursuant to Listing Rule 7.1 and 7.1A. At the time of the issue of such securities, the Company had the capacity to issue up to 87,813,986 securities pursuant to Listing Rule 7.1 and the capacity to issue up to 58,542,657 securities pursuant to Listing Rule 7.1A.

Accordingly, by Resolution 5, the Company seeks to obtain Shareholder approval for the purposes of Listing Rule 7.4 to ratify the issue of the above mentioned 109,090,910 Shares to sophisticated and professional investors as part of the Capital Raising described in section 5.

Listing Rules

Listing Rule 7.1 prohibits a company, except in certain cases and subject to Listing Rules 7.1A and 7.4, from issuing new Equity Securities equivalent in number to more than 15% of its capital in any 12 month period without the prior approval of its shareholders. Listing Rule 7.1A prohibits a company, except in certain cases and subject to Listing Rules 7.1 and 7.4, from issuing new Equity Securities equivalent in number to more than an additional 10% of its capital in any 12 month period without the prior approval of its shareholders. Equity Securities issued with shareholder approval under Listing Rules 7.1, 7.1A or 7.4 do not count towards the 15% limit under Listing Rule 7.1 or the additional 10% limit under Listing Rule 7.1A.

Listing Rule 7.4 provides that an issue of Equity Securities made without prior approval under Listing Rule 7.1 and Listing Rule 7.1A can be treated as having been made with that approval if shareholders subsequently approve it and the issue did not breach Listing Rule 7.1 and or Listing Rule 7.1A.

If Resolution 5 is approved it will have the effect of refreshing the Company's ability, to the extent of the Placement Shares, to issue new Equity Securities equivalent in number up to 15% of its capital in any 12 month period without the prior approval of its Shareholders pursuant to Listing Rule 7.1 and will also have the effect of refreshing the Company's ability, to the extent of the Placement Shares, to issue new Equity Securities equivalent in number up to an additional 10% of its capital in any 12 month period without the prior approval of its Shareholders pursuant to Listing Rule 7.1A and without the need to obtain further Shareholder approval (subject to the Listing Rules and the Corporations Act). If Resolution 5 is not passed, the Placement Shares will be counted toward the 15% limit pursuant to Listing Rule 7.1 and the additional 10% limit pursuant to Listing Rule 7.1A for a period of 12 months from the date of issue.

For the purposes of Listing Rule 7.5, the Company provides the following information:

a) Number of securities issued

109,090,910 Placement Shares were issued on 25 October 2017.

b) Issue price of the securities issued

The Placement Shares were issued at a price of \$0.022 per Share.



c) Terms of the issued shares

The Placement Shares issued are fully paid ordinary shares and rank equally with other Shares on issue.

d) Recipients of the issued shares

The Placement Shares were issued to sophisticated and professional investors.

e) Use of funds

The funds raised from the issue of the Placement Shares will be used for the purposes set out in section 5 of this Explanatory Memorandum.

f) Voting exclusion statement

A voting exclusion statement applies to this item of business, as set out in the Notice of Meeting.

Directors' Recommendation

The Directors recommend that you vote in favour of this Ordinary Resolution.

7. Resolution 6: Approval to Issue options to participants in the Placement

Background

As detailed in section 5 of this Explanatory Memorandum, Resolution 6 seeks approval pursuant to Listing Rule 7.1 for the issue of up to 109,090,910 Placement Options to subscribers of the Placement, subject to the subscribers of the Placement holding their Placement Shares until the Placement Options are issued, for nil cash consideration to subscribers for Placement Shares on the basis of one free-attaching option for every Placement Share subscribed for.

Resolution 6 is an ordinary resolution.

The effect of Resolution 6 will be to allow the Company to issue the Placement Options pursuant to the Placement during the period of 3 months after the General Meeting, without using the Company's 15% annual placement capacity.

The Company will offer the Placement Options under a Prospectus.

Listing Rule 7.1

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 its issued share capital at the commencement of that 12 month period. Equity Securities issued with shareholder approval under Listing Rules 7.1 do not count towards the 15% limit under Listing Rule 7.1 or the 10% limit under Listing Rule 7.1A.

In accordance with Listing Rule 7.1, shareholder approval is sought to issue the Placement Options to the subscribers of the Placement. The effect of Resolution 6 will be to allow the Company to issue the Placement Options during the 3 month period after the Annual General Meeting, without using the Company's 15% annual placement capacity, pursuant to Listing Rule 7.1

For the purposes of Listing Rule 7.3, the Company provides the following information:

a) Number of securities to be issued

The maximum number of the Placement Options to be issued is 109,090,910. The Placement Options are expected to be issued within 3 months after the date of the AGM.

b) Price

The Placement Options are free-attaching to the Placement Shares issued and therefore will be issued at an issue price of nil.

For personal use only

c) Terms of issue

The Placement Options will be issued on the terms and conditions set out in Schedule 1, subject to the subscribers of the Placement holding their Placement Shares until the Placement Options are issued.

d) Recipients of the issued Placement Options

The Placement Options will be issued to subscribers of the Placement, (each of which is not a related party of the Company),

e) Use of funds

No funds will be raised by the issue of the Placement Options as they will be issued as free-attaching to the Placement Shares issued under the Placement; however, funds raised from the Placement are as outlined in Section 5.

f) Voting exclusion statement

A voting exclusion statement applies to this item of business, as set out in the Notice of Meeting.

Directors' Recommendation

The Directors recommend that you vote in favour of this Ordinary Resolution.

8. Resolution 7: Approval of Securities Purchase Plan Offer with SPP Options

Background

As detailed in section 5 of this Explanatory Memorandum, the Company proposes providing an opportunity for Eligible Shareholders to participate in the SPP Offer.

Resolution 7 seeks Shareholder approval under ASX Listing Rule 7.1 for the issue of SPP Shares and SPP Options under the SPP Offer.

The SPP Offer will be conducted on the same terms as the Placement enabling Eligible Shareholders to subscribe for Shares up to \$15,000 of SPP Shares at \$0.022 per SPP Share together with the issue of one free attaching SPP Option for every one SPP Share subscribed for under the SPP Offer. The SPP Options will be exercisable at \$0.035 expiring on 31 December 2020. Eligible Shareholders will also be given the opportunity to apply for Shortfall Securities under the Shortfall Offer

The SPP Offer will be made pursuant to a Prospectus.

Proceeds received from the SPP Offer will be allocated primarily to explore for resources extensions of the Paris silver deposit and satellite silver targets with IP geophysics and drilling.

The Company has applied for a waiver from ASX under Listing Rule 7.3.8 to enable shareholders to vote in relation to Resolution 7 notwithstanding that they may be successful applicants for SPP Shares under the SPP Offer. The outcome of the waiver application will be advised by way of an ASX announcement prior to the date of the AGM.

Resolution 7 is an ordinary resolution.

Listing Rule 7.1

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 its issued share capital at the commencement of that 12 month period. Equity Securities issued with shareholder approval under Listing Rules 7.1 do not count towards the 15% limit under Listing Rule 7.1 or the 10% limit under Listing Rule 7.1A.

In accordance with Listing Rule 7.1, shareholder approval is sought to issue the SPP Shares and the SPP Options to the subscribers of the SPP Offer. The effect of Resolution 7 will be to allow the Company to issue the SPP Options during the 3 month period after the Annual General Meeting, without using the Company's 15% annual placement capacity, pursuant to Listing Rule 7.1

For personal use only



For the purposes of Listing Rule 7.3, the Company provides the following information:

a) Number of securities to be issued

The maximum number of the SPP Shares to be issued is 45,454,545 and the maximum number of SPP Options to be issued is 45,454,545. The SPP Shares and SPP Options are expected to be issued within 3 months after the date of the AGM

b) Price

The issue price will be \$0.022 per SPP Share and the SPP Options will be issued free-attaching to the SPP Shares on the basis of one SPP Option for every one SPP Share.

c) Terms of issue

The SPP Shares 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.

The SPP Options will be issued on the terms and conditions set out in Schedule 1.

d) Recipients of the issued shares

The SPP Shares and SPP Options will be issued to shareholders who successfully apply for SPP Shares under the SPP Offer. None of these shareholders will be related parties of the Company.

The Directors will not participate in the SPP Offer.

e) Use of funds

Funds raised by issue of the SPP Shares will be used as described in section 5 of this Explanatory Memorandum.

No funds will be raised by the issue of the SPP Options as they will be issued as free-attaching to the SPP Shares issued.

f) Voting exclusion statement

A voting exclusion statement applies to this item of business, as set out in the Notice of Meeting.

Directors' Recommendation

The Directors recommend that you vote in favour of this Ordinary Resolution.

9. Resolution 8: Approval to Issue options to the Lead Manager

Background

Resolution 8 seeks approval pursuant to Listing Rule 7.1 for the issue of up to 20,000,000 Options to PAC Partners Pty Ltd (PAC Partners) or its nominees in consideration for lead manager services provided in relation to the Placement (**Lead Manager Options**).

Resolution 8 is an ordinary resolution.

Listing Rule 7.1

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 its issued share capital at the commencement of that 12 month period. Equity Securities issued with shareholder approval under Listing Rules 7.1 do not count towards the 15% limit under Listing Rule 7.1 or the 10% limit under Listing Rule 7.1A.

In accordance with Listing Rule 7.1, shareholder approval is sought to issue the Lead Manager Options to PAC Partners or its nominees. The effect of Resolution 8 will be to allow the Company to issue the Lead Manager Options during the 3 month period after the Annual General Meeting, without using the Company's 15% annual placement capacity, pursuant to Listing Rule 7.1.

For personal use only

For the purposes of Listing Rule 7.3, the Company provides the following information:

a) Number of securities to be issued

The maximum number of Options to be issued is 20,000,000 which are expected to be issued within 3 months after the date of the AGM.

b) Price

The Lead Manager Options will be issued for no cash consideration in satisfaction of lead manager services provided by PAC Partners in relation to the October Placement.

c) Terms of issue

The Lead Manager Options will be issued on the terms and conditions set out in Schedule 1.

d) Recipients of the issued shares

The Lead Manager Options will be issued to PAC Partners or its nominees

e) Use of funds

No funds will be raised by the issue of the Lead Manager Options will be issued for no cash consideration in satisfaction of lead manager services provided by PAC Partners in relation to the Placement, however, the use of funds raised from the Placement is as outlined in Section 5.

f) Voting exclusion statement

A voting exclusion statement applies to this item of business, as set out in the Notice of Meeting.

Directors' Recommendation

The Directors recommend that you vote in favour of this Ordinary Resolution.

10. Resolution 9 - Issue of Options to Dr David Ransom

Introduction

Dr David Ransom was appointed as a non-executive Director on 23 January 2017. Upon his appointment the board agreed, that subject to shareholder approval at the Company's AGM, the Company will issue to Dr Ransom 2,500,000 unlisted options exercisable at \$0.048 expiring on 23 January 2020,. Accordingly the Company is seeking Shareholder approval for the proposed grant of 2,500,000 Options to Dr David Ransom (**Ransom Options**).

Approval for the issue of the Ransom Options is sought in accordance with the Listing Rule 10.11 and Part 2E of the Corporations Act. As approval is being sought under Listing Rule 10.11, approval will not be required under Listing Rule 7.1.

Options Terms

A summary of the terms of the Ransom Options is set out in the attached Appendix A.

Regulatory Requirements

Chapter 2E of the Corporations Act

In order for the Ransom Options to be granted to a Director, the requirements of Chapter 2E of the Corporations Act need to be observed.

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a Related Party of a public company unless the benefit falls within one of various exceptions to the general prohibition (including where shareholder approval is obtained).

The resolution, if passed, will confer financial benefits on Dr Ransom (being a Related Party of the Company because he is a Director) and the Company seeks to obtain Shareholder approval in accordance with the requirements of Chapter 2E of the *Corporations Act*. For this reason, and for all other purposes, the following information is provided to Shareholders.

For personal use only



a) **The related party to whom the resolution would permit the financial benefit to be given**

The proposed financial benefit will be given to Dr David Meldrum Ransom (or his nominee) (**Dr Ransom**), who is a Related Party because he is a Director of the Company.

b) **The nature of the proposed financial benefit to be given**

The nature of the proposed financial benefit to be given is:

- i. the grant of 2,500,000 Options to Dr Ransom (or nominee);
- ii. the Ransom Options shall be granted for nil consideration;
- iii. the Ransom Options shall be exercisable into Shares on or before the expiry date.
- iv. the expiry date is the earlier of:
 - the date being 23 January 2020, being three (3) years from the date Dr Ransom was appointed as a non-executive Director unless earlier exercised; or
 - the date on which the Company terminates with cause Dr Ransom's position as non-executive director.
- v. each Ransom Option will be exercisable at the price of \$0.048 (**Exercise Price**).

c) **Directors' Recommendation:**

Mr Bruce Foy, Mr Kevin Wilson and Mr John Anderson recommend that Shareholders vote in favour of this resolution. The reasons for their recommendation include:

- i. the grant of the Ransom Options as proposed to Dr Ransom will provide him with reward and incentive for future services he will provide to the Company to further the progress of the Company;
- ii. the Ransom Options are not intended as a substitute for salary or wages; and
- iii. in the Company's circumstances as they existed as at the date of this Explanatory Statement, Mr Foy, Mr Wilson and Mr Anderson considered that the incentive provided a cost-effective and efficient incentive as opposed to alternative forms of incentives (e.g. cash bonuses, increased remuneration). However, it must be recognised that there will be an opportunity cost to the Company, being the price at which the Company could grant the Options to a third party.

As Dr Ransom is interested in the outcome of the resolution, he accordingly makes no recommendation to Shareholders in respect of this resolution.

d) **Directors' Interest and other remuneration:**

Dr Ransom has a material personal interest in the outcome of the resolution, as it is proposed that Ransom Options be granted to him (or his nominee).

Excluding the Ransom Options, Dr Ransom (and entities associated with him) holds 550,000 Shares. Please refer to the table below which indicates the holdings of Dr Ransom (and entities associated with him).

Other than the Ransom Options to be issued to Dr Ransom, Dr Ransom shall receive total fixed remuneration of \$65,000 (inclusive of superannuation) per annum from the Company for his services as non-executive Chairman.

e) **Valuation**

The Ransom Options will not be quoted on the ASX and as such have no market value. The Ransom Options grant the holder a right of grant of one Share upon exercise of the Options and payment of the exercise price of the Ransom Options described above. Accordingly, the Ransom Options may have a present value at the date of their grant.

The Ransom Options may acquire future value dependent upon the extent to which the Shares exceed the exercise price of the Ransom Options during the term of the Options.

For personal use only



As a general proposition, options to subscribe for ordinary fully paid shares in a company have a value. Various factors impact upon the value of options including:

- i. the period outstanding before the expiry date of the options;
- ii. the exercise price of the options relative to the underlying price or value of the securities into which they may be converted;
- iii. the proportion of the issued capital as expanded consequent upon exercise represented by the shares issued upon exercise (i.e. whether or not the shares that might be acquired upon exercise of the options represent a controlling or other significant interest);
- iv. the value of the shares into which the options may be converted; and
- v. whether the options are listed (ie readily capable of being liquidated).

There are various formulae which can be applied to determining the theoretical value of options (including the formula known as the Black-Scholes Model and the Binomial Model).

The Company has commissioned an independent valuation of the Ransom Options, for the purposes of disclosing to Shareholders such information required to decide whether or not it is in the Company's interest to pass Resolution 9 and disclosing expenses in the Company's Financial Statements in accordance with AASB 2 Share Based Payments, using the Black-Scholes Model and the Binomial Model, which are the most widely used and recognised model for pricing options. The value of an option calculated by both the Black-Scholes Model and the Binomial Model is a function of the relationship between a number of variables, being the price of the underlying Share at the time of issue, the exercise price, the time to expiry, the risk-free interest rate, the volatility of the Company's underlying Share price and expected dividends.

Inherent in the application of the Black-Scholes Model and the Binomial Model are a number of inputs, some of which must be assumed. The data relied upon in applying the Black-Scholes Model and the Binomial Model was:

- i. the exercise price of the Options is \$0.048, being 130% of the Market Price of shares in the Company as at date Dr Ransom was appointed as a non-executive Director;
- ii. a market price of Shares of \$0.027;
- iii. expiry date 23 January 2020;
- iv. a volatility measure of 73.985%;
- v. a risk-free interest rate of 1.93% on the options proposed to be issued to Dr Ransom; and
- vi. a dividend yield of nil.

Some relatively minor variables were included in the calculation to estimate the value of Ransom Options as "American style" options (being exercisable at any time prior to the stated expiry date).

Based on the independent valuation of the Options, the Company agrees that the value of the Options to be issued pursuant to this resolution is \$17,909

f) Any other information that is reasonably required by Shareholders to make a decision and that is known to the Company or any of its Directors

There is no other information known to the Company or any of its Directors save and except as follows:

Market Price movements:

The Ransom Option valuation noted above is based on a market price per Share of \$0.027 when calculated.

There is a possibility that the market price of the Shares will change up to the date of the Meeting.

For personal use only

Opportunity Costs:

The opportunity cost and benefit foregone by the Company issuing the Ransom Options to the Director is the potentially diluting impact on the issued Share capital of the Company (in the event that the Ransom Options are exercised). Until exercised, the issue of the Ransom Options will not impact upon the number of Shares on issue in the Company. To the extent that upon their exercise the dilutionary impact caused by the issue of the Shares may be detrimental to the Company, if at all, this is more than offset by the advantages accruing from the Company securing the services of experienced and skilled directors on appropriate incentive terms.

It is also considered that the potential increase of value in the Ransom Options is dependent upon a concomitant increase in the value of the Company generally.

Taxation Consequences:

No stamp duty will be payable in respect of the grant of the Ransom Options. No GST will be payable by the Company in respect of the grant of the Ransom Options (or if it is then it will be recoverable as an input credit).

AASB 2 “Share Based Payments” requires that these payments shall be measured at the more readily determinable fair value of the equity instrument. Under the accounting standards this amount will be expensed in the statement of comprehensive income. Where the grant date and the vesting date are different, the total expenditure calculated will be allocated between the two dates taking into account the terms and conditions attached to the instruments and the counterparties as well as management’s assumptions about probabilities of payments and compliance with and attainment of the set out terms and conditions.

Dilutionary Effect:

If all of the Ransom Options granted and Options previously granted are exercised by Dr Ransom (or his nominee), then the effect on his holdings in the Company, assuming that all of the Options granted are exercised and that:

- a) no other Options currently on issue in the Company are or have been exercised; and
- b) no further Equity Securities are issued or acquired.

will be as follows:

Director	Current Holdings	% of Total Share Capital (585,426,577 Shares on issue as at 16 October 2017)	Share Holding Upon Exercise of existing Options	% of Total Share Capital upon exercise of existing Options	Share Holding Upon Exercise of existing Options and new Ransom Options	% of Total increased Share Capital (587,926,577 Shares on issue)
Mr David Ransom	550,000 Shares Nil Unlisted Options	0.094%	550,000	0.094%	3,050,000	0.519%

For personal use only



Trading History:

Details of the Company's trading history of the previous 12 months are as follows:

- (a) the lowest share price during the 12 months prior to the date of issue of this notice was \$0.024 on 16 December 2016.
- (b) the highest share price during the 12 months prior to the date of issue of this notice was \$0.046 on 24 February 2017.
- (c) the closing price on 16 October 2017, six trading days prior to the date of issue of this notice was \$0.027; and
- (d) the 30 day VWAP on 16 October 2017, six trading days prior to the date of issue of this notice was \$0.0271

Listing Rule 10.11

Listing Rule 10.11 requires an entity to obtain the approval of shareholders for an issue of Equity Securities to a Related Party. Dr Ransom, being a Director of the Company, is a Related Party of the Company. Accordingly, because the issue of the Ransom Options will result in the Company issuing Equity Securities to a Related Party, approval under Listing Rule 10.11 is required.

For the purposes of Listing Rule 10.13, the Company advises as follows:

- The maximum number of Options to be issued to Dr Ransom is 2,500,000 Options;
- The Ransom Options are intended to be granted as soon as possible assuming Shareholder approval at this AGM, but in any event, within one (1) month of the date of this AGM;
- The Ransom Options are being issued for nil consideration; and
- No funds are being raised by the grant of the Ransom Options.

In accordance with Listing Rule 7.2, as approval is being sought under Listing Rule 10.11, approval is not required to be obtained under Listing Rule 7.1.

Voting Exclusion Statement

There are restrictions on Dr Ransom and his associates and members of the Key Management Personnel and their Closely Related Parties voting on Resolution 9, details of which are set out in the Voting Restriction Statement included in Resolution 9 of the Notice of Meeting.

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the Resolutions the subject of this Meeting, including Resolution 9 subject to compliance with the Corporations Act. Save as set out in this Explanatory Statement, the Directors are not aware of any other information that will be reasonably required by Shareholders to make a decision in relation to benefits contemplated by this Resolution.

11. Resolution 10: Approval of Employee Share and Option Plan (ESOP)

Introduction

At the Annual General Meeting held on 27 November 2012, the Company established an Employee Share Option Plan (**ESOP**) to enable the issue of Options to Eligible Persons as incentives to assist in the retention and motivation of employees. A summary of the ESOP was included in the Company's Notice of Meeting held on 27 November 2012. A new Employee Share Option Plan (**ESOP**) has been established and adopted by the board and is now seeking Shareholder approval for future issues pursuant to the ESOP and reliant to and exception in Listing Rule 7.2, Exception 9(b). A summary of the terms of the ESOP is set out in Appendix B.

For personal use only



Listing Rule 7.1 and 7.1A

Under Listing Rule 7.1, a listed company is prohibited from issuing or agreeing to issue Equity Securities without shareholder approval if doing so would result in the number of Equity Securities issued in the preceding 12 month period exceeding 15% of the number of Shares on issue at the beginning of the period:

- plus the Shares issued with Shareholder approval;
- plus the Shares issued under an exception in Listing Rule 7.2;
- plus the partly paid Shares which became fully paid Shares; and
- minus cancelled Shares,

during the 12 month period.

This is referred to as a company's '**15% Placement Capacity**'.

Under Listing Rule 7.1A, small and mid-cap listed entities that meet the eligibility threshold and have obtained the approval of their ordinary Shareholders by special resolution at the AGM, are permitted to issue an additional 10% of issued capital over a 12 month period from the date of the AGM (**Additional 10% Issue**). The Additional 10% Issue under Listing Rule 7.1A is in addition to the ability of the Company to issue 15% of its issued capital without Shareholder approval over a 12 month period pursuant to Listing Rule 7.1.

An exception to Listing Rule 7.1 and 7.1A exists for employee incentive schemes such as the ESOP. If the exception applies, then Equity Securities issued under the ESOP will not count towards the Equity Securities that the Company may issue as part of its 15% Placement Capacity or, if applicable, the Additional 10% Issue capacity.

Pursuant to the Exception in Listing Rule 7.2 (Exception 9(b)), Shares or Options issued under the ESOP will not fall within 15% Limit or Additional 10% Issue (if applicable) if:

- (a) Shareholders have approved the employee incentive scheme within the last 3 years; and
- (b) The notice of meeting contains:
 - (1) a summary of the terms of the scheme;
 - (2) the number of securities issued under the scheme since the last date of approval; and
 - (3) a voting exclusion statement.

Accordingly, Shareholder approval of the ESOP is sought under Exception 9(b) to Listing Rule 7.2 so that any issue of securities under the ESOP over the next 3 years are not included in the Company's 15% Placement Capacity or Additional 10% Issue capacity (if applicable).

For this purpose, in accordance with Listing Rule 7.2 (Exception 9(b)) the Company advises that:

Summary of ESOP terms

A summary of the terms of the ESOP is set out in Appendix B to this Notice.

Securities issued under ESOP

There have been 17,020,000 Securities issued under the last ESOP (or any other employee incentive scheme of the Company) since the last ESOP was approved by Shareholders at the Company's Annual general Meeting held on 27 November 2012.

Voting Exclusion Statement

A voting exclusion statement is included under Resolution 10 in this Notice of Meeting.

For personal use only



12. Resolution 11: Approval to issue an additional 10% of the issued capital of the Company over a 12 month period pursuant to Listing Rule 7.1A

Introduction

Pursuant to Resolution 11, the Company is seeking shareholder approval to issue an additional 10% of issued capital over a 12 month period pursuant to Listing Rule 7.1A. If passed, this resolution will allow the Company to allot and issue up to the number of new Equity Securities calculated in accordance with Listing Rule 7.1A.2 (**Placement Securities**) each at an issue price of at least 75% of the volume weighted average price (**VWAP**) for the Company's Equity Securities in that class (calculated over the last 15 days on which trades in the Equity Securities are recorded immediately before the date on which the price at which the Placement Securities are to be issued is agreed, or if the Placement Securities are not issued within 5 trading days of that date, the date on which the Placement Securities are issued) (**Issue Price**).

This approval is sought pursuant to Listing Rule 7.1A. Under Listing Rule 7.1A small and mid-cap listed entities that meet the eligibility threshold and have obtained the approval of their ordinary shareholders by Special Resolution at the AGM, are permitted to issue an additional 10% of issued capital over a 12 month period from the date of the annual general meeting (**Additional 10% Placement**). The Additional 10% Placement under Listing Rule 7.1A is in addition to the ability of the Company to issue 15% of its issued capital without shareholder approval over a 12 month period pursuant to Listing Rule 7.1. The Company may issue the Placement Securities to raise funds for the Company and for non-cash consideration (further details of which are set out below). Funds raised from the issue of Placement Securities, if undertaken, would be applied to progress the objectives of Company including the funding of exploration activities, working capital, acquisitions and the payment of any costs of the issue of the Placement Securities.

Directors' Recommendation

The Directors of the Company unanimously recommend that Shareholders vote in favour of Resolution 11.

Listing Rule 7.1A

a) **General**

i. **Eligibility**

An entity is eligible to undertake an Additional 10% Placement if at the time of its annual general meeting it has a market capitalisation of \$300 million or less and it is not included in the S&P/ASX300 Index.

For illustrative purposes only, on 16 October 2017 the Company's market capitalisation was \$15.8 million based on the Closing Trading Price of \$0.027 on 16 October 2017. The calculation of market capitalisation will be based on the Closing Price of the Shares, on the last Trading Day on which trades in the Shares were recorded before the date of the AGM, multiplied by the number of Shares on issue (excluding restricted securities and securities quoted on a deferred settlement basis).

The Company is also not included in the S&P/ASX300 Index as at the time of this AGM, however, it should be noted that the S&P/ASX300 Index is rebalanced twice a year in March and September.

The Company is therefore an Eligible Entity and able to undertake an Additional 10% Placement under Listing Rule 7.1A.

In the event that the Company for any reason ceases to be an Eligible Entity after the Company has already obtained Shareholders' approval pursuant to this Resolution 11, the approval obtained will not lapse and the Company will still be entitled to issue the Placement Securities.

ii. **Special Resolution**

Listing Rule 7.1A requires this Resolution 11 to be passed as a Special Resolution, which means that it must be passed by at least 75% of the votes cast by members entitled to vote on the resolution. Pursuant to Listing Rule 7.1A, no Placement Securities will be issued until and unless this Special Resolution is passed at the Meeting.

iii. **Shareholder approval**

The ability to issue the Placement Securities is conditional upon the Company obtaining Shareholder approval by way of a Special Resolution at the Meeting.

b) **10% Placement Period – Listing Rule 7.1A.1**

Assuming Resolution 11 is passed, Shareholder approval of the Additional 10% Placement under Listing Rule 7.1A is valid from the date of the AGM and expires on the earlier to occur of:

- i. the date that is 12 months after the date of the AGM; or
- ii. the date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX.

If approval is given for the issue of the Placement Securities then the approval will expire, on 21 November 2018, unless Shareholder approval is granted pursuant to Listing Rules 11.1.2 or 11.2 prior to that date.

c) **Calculation for Additional 10% Placement – Listing Rule 7.1A.2**

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 AGM, a number of Equity Securities calculated in accordance with the following formula:

(A x D) – E

A is the number of ordinary securities on issue 12 months before the date of issue or agreement:

- i. plus the number of fully paid ordinary securities issued in the 12 months under an exception in Listing Rule 7.2;
- ii. plus the number of partly paid ordinary securities that became fully paid in the 12 months;
- iii. plus the number of fully paid ordinary securities issued in the 12 months with approval of holders of ordinary securities under Listing Rules 7.1 or 7.4. [Note: This does not include an issue of fully paid ordinary securities under the entity's 15% placement capacity without Shareholder approval];
- iv. less the number of fully paid ordinary securities cancelled in the 12 months.

D is 10 percent.

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 Rules 7.1 or 7.4.

d) **Listing Rule 7.1A.3**

i. **Equity Securities**

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

As at the date of this Notice of Meeting, the only classes of Equity Securities in the Company quoted on the ASX are 'Ordinary Shares (ORD)'. The Company has 694,517,487 Shares and no listed options on issue as at the date of this Notice of Meeting.

ii. **Minimum Issue Price**

The issue price for the Placement Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- the date on which the price at which the relevant Placement Securities are to be issued is agreed; or

For personal use only

- if the relevant Placement Securities are not issued within 5 Trading Days of the date in paragraph (A) above, the date on which the relevant Placement Securities are issued.

e) Information to be given to ASX – Listing Rule 7.1A.4

If Resolution 11 is passed and the Company issues any Placement Securities under Listing Rule 7.1A, the Company will give to ASX:

- a list of allottees of the Placement Securities and the number of Placement Securities allotted to each (this list will not be released to the market); and
- the following information required by rule 3.10.5A, which will be released to the market on the date of issue:
 - details of the dilution to the existing holders of Equity Securities caused by the issue;
 - where the Equity Securities are issued for cash consideration, a statement of the reasons why the Company issued the Equity Securities as a placement under rule 7.1A and not as (or in addition to) a pro rata issue or other type of issue in which existing Shareholders would have been eligible to participate;
 - details of any underwriting arrangements, including any fees payable to the underwriter; and
 - any other fees or costs incurred in connection with the issue.

f) Listing Rule 7.1 and 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 694,517,487 Shares. Assuming Resolutions 5 and 11 are passed, the Company will have the capacity to issue 173,629,372 Equity Securities on the date of the Meeting.

The actual number of Equity Securities that the Company will have the 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 (as described above).

Specific Information required by Listing Rule 7.3A

a) Minimum Price of securities issued under Listing Rule 7.1A – Listing Rule 7.3A.1

Pursuant to and in accordance with Listing Rule 7.1A.3, the Placement Securities issued pursuant to approval under Listing Rule 7.1A must have an issue price of not less than 75% of the VWAP for the Equity Securities over the 15 Trading Days immediately before:

- the date on which the price at which the Placement Securities are to be issued is agreed; or
- if the Placement Securities are not issued within 5 Trading Days of the date in paragraph (1) above, the date on which the Placement Securities are issued.

The Company will disclose to the ASX the issue price on the date of issue of the Placement Securities.

b) Risk of economic and voting dilution – Listing Rule 7.3A.2

As provided by Listing Rule 7.3A.2, if Resolutions 5 and 11 are passed and the Company issues the Placement Securities, there is a risk of economic and voting dilution to the existing Shareholders. As at the date of the Meeting the Company has on issue 694,517,487 Shares. Providing Resolutions 5 and 11 are passed, the Company could issue 69,451,749 Shares and listed Options on the date of the Meeting (however, it is important to note that the exact number of Equity Securities which may be issued will be calculated in accordance with the formula contained in Listing Rule 7.1A.2 details of which are set out above). Any issue of Placement Securities will have a dilutive effect on existing Shareholders.

For personal use only

There is a specific risk that:

- i. the Market Price for the Company's Equity Securities may be significantly lower on the date of the issue of any Placement Securities than it is on the date of the Meeting; and
- ii. the Placement 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,

which may have an effect on the amount of funds raised by the issue or the value of the Placement Securities.

As required by Listing Rule 7.3A.2, Table 1 below shows the potential economic and voting dilution effect, in circumstances where the issued capital has doubled and the Market Price of the Shares has halved. Table 1 also shows additional scenarios in which the number of issued Shares has increased and the Market Price of the Shares has decreased.

Table 1

Issued Share Capital	50% decrease in Market Price \$0.0135		Current Market Price \$0.027		100% increase in Market Price \$0.054	
	10 % Voting Dilution	Capital Raised	10 % Voting Dilution	Capital Raised	10 % Voting Dilution	Capital Raised
Present Issued Share Capital = 694,517,487 Shares	69,451,749 Shares	\$937,599	69,451,749 Shares	\$1,875,197	69,451,749 Shares	\$3,750,394
50% Increase in Share Capital = 1,041,776,231 Shares	104,177,623 Shares	\$1,406,398	104,177,623 Shares	\$2,812,796	104,177,623 Shares	\$5,625,592
100% Increase in Share Capital = 1,389,034,974 Shares	138,903,497 Shares	\$1,875,197	138,903,497 Shares	\$3,750,394	138,903,497 Shares	\$7,500,789

Assumptions and explanations

- The Market Price is \$0.027 based on the closing price of the Shares on ASX on 16 October 2017.
- The above table only shows the dilutionary effect based on the issue of the Placement Securities and not any Shares issued under the 15% under Listing Rule 7.1.
- The 10% voting dilution reflects the aggregate dilution against the issued share capital at the time of issue.
- The Company issues the maximum number of Placement Securities.
- The Issued Share Capital has been calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this meeting and assuming all resolutions affecting share capital presented to the Annual General Meeting are passed.
- The issue price of the Placement Securities used in the table is the same as the Market Price and does not take into account the discount to the Market Price (if any).

c) **Final date for issue – Listing Rule 7.3A.3**

As required by Listing Rule 7.3A.3, the Company will only issue and allot the Placement Securities during the 12 month period after the date of this Meeting which will end on 30 November 2018. The approval under Resolution 11 for the issue of the Placement 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 of the Company) or Listing Rule 11.2 (the disposal of the main undertaking of the Company) before the anniversary of the AGM.

d) **Purpose – Listing Rule 7.3A.4**

As noted above, the purpose for which the Placement Securities may be issued include to raise funds for the Company and for non-cash consideration (further details of which are set out below). Any funds raised from the issue of Placement Securities, if undertaken, would be applied to



progress the objectives of Company including the funding of exploration activities, working capital, acquisitions and the payment of any costs of the issue of the Placement Securities.

e) Shares Issued for Non-cash consideration – Listing Rule 7.3A.4

The Company may issue Placement Securities for non-cash consideration, such as the acquisition of new assets or investments or the payment of expenses of the Company. If the Company issues Placement Securities for non-cash consideration, the Company will release to the market a valuation of the non-cash consideration that demonstrates that the issue price of the Placement Securities complies with Listing Rule 7.1A.3.

f) Company's Allocation Policy – Listing Rule 7.3A.5

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue of the Placement Securities. The identity of the allottees of Placement Securities will be determined on a case-by-case basis having regard to a number of 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 issue or other issue in which existing Shareholders can participate;
- ii. the effect of the issue of the Placement 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 of the Placement Securities 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 assets or investments for which Placement Securities are issued as consideration, it is likely that the allottees of some of the Placement Securities will be the vendors of the new assets or investments.

g) Details of all equity securities issued where shareholder approval under listing rule 7.1A previously obtained – Listing Rule 7.3A.6

The Company has previously obtained Shareholder approval under Listing Rule 7.1A at the Annual General Meeting held on 22 November 2016.

As the Company has previously obtained Shareholder approval under Listing Rule 7.1A, the following information is provided to Shareholders, in accordance with Listing Rule 7.3A.6, regarding the Equity Securities issued in the previous 12 months preceding the date of the AGM (that is, since 22 November 2016).

Listing Rule 7.3A.6(a): Total equity securities issued in previous 12 months

Number of equity securities on issue at commencement of 12 month period	585,426,577 Shares 114,179,704 Listed Options 9,605,000 Unlisted Options <hr/> 795,656,281 Equity Securities (Total)
Equity securities issued in prior 12 month period	109,090,910 Ordinary Shares 3,415,000 Unlisted Options
Percentage previous issues represent of total number of equity securities on issue at commencement of 12 month period	14.14%

For personal use only



Listing Rule 7.3A.6(b): Details of equity securities issued in previous 12 months:

(1)

Date of issue:	22 Nov 2016
Number issued	3,415,000 Unlisted Options
Type of equity security:	Unlisted Options
Summary of terms:	Exercisable at \$0.036 and expiring on 22 Nov 2019
Names of persons who received securities or basis on which those persons was determined	Nominee of Managing Director, John A Anderson
Price at which equity securities were issued:	\$Nil
Consideration received	\$Nil
Use of cash	Options issued for Nil consideration with no cash proceeds

(2)

Date of issue:	25 October 2017
Number issued	109,090,910
Type of equity security:	Ordinary Shares
Summary of terms:	Placement to professional and sophisticated investors at \$0.022 per share
Names of persons who received securities or basis on which those persons was determined	Professional and sophisticated investors
Price at which equity securities were issued:	\$0.022 per Share
Consideration received	\$2,400,000.
Use of cash	Proceeds received from the Placement to be allocated primarily to explore for resources extensions of the Paris silver deposit and satellite silver targets with IP, geophysics and drilling, in order to expand Paris silver resource to derisk the feasibility process.

Voting Exclusion Statement

A voting exclusion statement is included in the Notice of Meeting. At the date of the Notice of Meeting, the proposed allottees of any Placement Securities 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 that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of the Placement Securities), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted and there is no reason to exclude their votes.

For personal use only



13. Information for Shareholders

Shareholders who are entitled to vote

The Company has determined that for the purpose of voting at the meeting, shares will be taken to be held by those members recorded in the Company's Register of Members as at 7.00 pm (Adelaide time) on Tuesday 28 November 2017.

Proxy Votes

A member entitled to attend and vote at the meeting may appoint a proxy. The person appointed as a proxy may be an individual or a body corporate. If entitled to cast two or more votes, the member may appoint one or two proxies.

Where two proxies are appointed, each proxy may be appointed to represent a specific proportion of the member's voting rights. If the proportion is not specified, each proxy may exercise half of the member's voting rights. Fractional votes will be disregarded. Please read carefully the instructions on the Proxy Form and consider how you wish to direct the proxy to vote on your behalf. You may direct the proxy to vote "for", "against" or "abstain" from voting on each resolution or you may leave the decision to the appointed proxy after discussion at the meeting.

A proxy need not be a member of the Company.

The Proxy Form must be signed by the member or the member's attorney. Proxies given by corporations must be signed in accordance with the corporation's constituent documents, or as authorised by the Corporations Act.

To record a valid vote, a Shareholder will need to take the following steps:

- cast the Shareholder's vote online by visiting www.investorvote.com.au and entering the Shareholder's Control Number, SRN/HIN and PIN, which are shown on the first page of the enclosed proxy form; or
- complete and lodge the manual proxy form at the share registry of the Company, Computershare Investor Services Pty Limited:
 - (a) by post at the following address:

Computershare Investor Services Pty Limited
GPO Box 242
MELBOURNE VIC 3001

OR
 - (b) by facsimile on 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia); or
 - (c) for Intermediary Online subscribers only (custodians), cast the Shareholder's vote online by visiting www.intermediaryonline.com.

If the Proxy Form is executed under a power of attorney that has not been noted by the Company, the power of attorney must accompany the Proxy Form

In the case of joint shareholders, the names of all joint shareholders should be shown and all joint shareholders should sign the Proxy Form.



14. Interpretation

The following terms used in the Notice of Meeting and the Explanatory Memorandum are defined as follows:

15% Placement Capacity has the meaning given to that term in Resolution 9 of the Explanatory Memorandum.

AGM means annual general meeting of the Company convened by this notice;

ASIC means the Australian Securities & Investments Commission;

ASX means the ASX Limited;

ASX Criteria means all relevant criteria imposed by the ASX in respect of the issue and/or quotation of the Placement Options and the SPP Options and may include the issue of a prospectus by the Company to allow for secondary trading of listed options and/or Shares which may result from the exercise of those Options.

Business Day means a day on which all banks are open for business generally in Adelaide;

Capital Raising is defined in section 5 of the Explanatory Memorandum;

CDST means Central Daylight Savings Time as observed in South Australia;

Chair means the person chairing the Meeting;

Closely Related Party (as defined in the Corporations Act) of a member of the Key Management Personnel for an entity means:

- a) a spouse or child of the member; or
- b) a child of the member's spouse; or
- c) a dependant of the member or the member's spouse; or
- 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 dealings with the entity; or
- e) a company the member controls; or
- f) a person prescribed by the regulations for the purposes of the definition of closely related party;

Company means Investigator Resources Limited ACN 115 338 979 (ASX: IVR);

Constitution means the constitution of the Company from time to time;

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

Directors mean the board of Directors of the Company as at the date of the Notice of Meeting being David Ransom, Bruce Foy, Kevin Wilson and John Anderson;

Eligible Entity has the meaning given to that term in the Listing Rules;

Eligible Shareholder means a Shareholder as at the record date of 5pm (CDST) on 18 October 2017 whose address on the register is in Australia or New Zealand.

Equity Securities has the meaning given to that term in the Listing Rules;

Explanatory Memorandum means the explanatory statement accompanying this Notice;

Issue Date means the date of the Meeting or within one (1) month thereafter;

Key Management Personnel or **KMP** has the definition given in the Accounting Standard AASB 124 *Related Party Disclosure* as 'those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any director (whether executive or otherwise) of that entity';

Listing Rules means the official listing rules of the ASX as amended from time to time;

Market Price has the meaning given to that term in the Listing Rules; and

Meeting means the Annual General Meeting to be held on 30 November 2017 as convened by the accompanying Notice of Meeting;



Notice of Meeting or **Notice** means the notice of meeting giving notice to shareholders of the Meeting, accompanying this Explanatory Memorandum;

Options means options over fully paid ordinary Shares;

Ordinary Resolution means a resolution passed by more than 50% of the votes at a general meeting of shareholders;

Placement is defined in section 5 of the Explanatory Memorandum;

Placement Option is defined in section 5 of the Explanatory Memorandum;

Placement Share is defined in section 5 of the Explanatory Memorandum;

Prospectus means the prospectus to be issued by the Company in connection with the SPP Offer and the offer of the Placement Options;

Related Party has the meaning in section 228 of the Corporations Act;

Remuneration Report means the section of the Directors' Report in the 2017 Financial Report dealing with the remuneration of the Company's Directors, Company Secretary and senior executives described as 'Remuneration Report'.

Resolutions means the resolutions set out in the Notice of Meeting;

Securities has the meaning given to that term in the Listing Rules;

Securities Purchase Plan means the Company's securities purchase plan for the SPP Offer;

Shares means fully paid ordinary shares in the Company from time to time;

Shareholder means a shareholder of the Company;

Shortfall Offer is defined in section 5 of the Explanatory Memorandum;

Shortfall Securities is defined in section 5 of the Explanatory Memorandum;

Special Resolution means a resolution:

- a) of which notice has been given as set out in paragraph 249L(1)(c) of the Corporations Act; and
- b) that has been passed by at least 75% of the votes cast by members entitled to vote on the resolution;

SPP Offer is defined in section 5 of the Explanatory Memorandum;

SPP Options means options to be issued free attaching to the SPP Shares on the basis of one SPP Option for every SPP Shares to subscribers under the SPP Offer and as otherwise defined in section 5 of the Explanatory Memorandum;

SPP Shares means the offer of up to 45,454,545 Shares to be offered under the SPP Offer and as otherwise defined in section 5 of the Explanatory Memorandum;

Trading Day has the meaning given to that term in the Listing Rules.



Schedule 1 – Terms and conditions of Options

A summary of the terms of the Options is as follows:

- a) **(Entitlement)** Each Option entitles the holder to subscribe for one fully paid ordinary Share.
- b) **(Exercise Price and Expiry Date)** The Options will be exercisable at \$0.035 each at any time up to 5:00pm (CDST) on 31 December 2020 (**Expiry Date**). Any Option not exercised by the Expiry Date will automatically expire.
- c) **(Exercise)** To exercise Options, the Option holder must give the Company:
1. a written exercise notice (in the form approved by the Board from time to time) specifying the number of Options being exercised and Shares to be issued; and
 2. payment of the exercise price for the Shares, the subject of the exercise notice, by way of bank cheque or by other means of payment approved by the Company.
- The Option holder may only exercise Options in multiples of 5,000 Options unless the Option holder exercise all Options held by the Option holder. Options will be deemed to have been exercised on the date the exercise notice is lodged with the Directors.
- d) **(Timing of issue of Shares upon exercise)** Within 10 days after receiving a valid application for the exercise of Options and payment by the Option holder of the exercise price, the Company must issue the Option holder with the number of Shares pursuant to the application.
- e) **(Ranking of Shares)** Subject to the Constitution, all Shares issued on the exercise of the Options will rank pari passu with the then issued ordinary shares at the date of issue.
- f) **(Transferability):** The Options are expected to be listed on the ASX. Subject to the approval of shareholders the Company intends to apply for listing of the Options on the ASX, subject to the Company satisfying ASX Criteria for the quotation of the options.
- g) **(Quotation of Shares on exercise):** The Company will apply to ASX for official quotation of the Shares issued on exercise of the Options.
- h) **(Participation Rights)** The Option holder does not have any right to participate in new issues of securities in the Company made to Shareholders generally. The Company will, where required pursuant to the Listing Rules, provide the Option holder with notice prior to the books record date (to determine entitlements to any new issue of securities made to shareholders generally) to exercise the Options, in accordance with the requirements of the Listing Rules.
- i) **(Reorganisation)** If there is a reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company, then the rights of the Option holder (including the number of Options to which the Option holder is entitled to and the exercise price) is changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- j) **(Amendments)** The number and exercise price of the Options remains the same regardless if the Company makes a bonus issue of Shares or other Securities to Shareholders.
- k) **(Adjustments)** Any calculations or adjustments which are required to be made will be made by the Board and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Option holder.
- l) **(Governing Law)** These terms and rights and obligations of the Option holder are governed by the laws of South Australia. The Option holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of South Australia.



Appendix A

Ransom Option Terms Summary

A summary of the terms of the Options is as follows:

- a) Each Option will be exercisable at \$0.048 per Option (**Exercise Price**);
- b) The Options will be exercisable on or before 23 January 2020 by delivering a duly completed form of notice of exercise together with a cheque for the Exercise Price to the Company at any time prior to the expiry date;
- c) Each option shall be issued for free.
- d) The Options will not be listed on the ASX;
- e) The Options will expire (**Expiry Date**) on the earlier of:
 - i. 23 January 2020, the date being three (3) years from date Dr Ransom was appointed as a non-executive Director, unless earlier exercised;
 - ii. the Business Day after the expiration of three (3) months, or any longer period which the Board may determine, after Dr Ransom ceases to be an executive director, contractor or employee of the Company or an associated body corporate of the Company; or
 - iii. the date on which the Company terminates with cause any non-executive Director agreement with Dr Ransom.
- f) The Options will not be transferable in whole or in part and may not be exercised by any other person (except, in the case of the Option holder's death, by his or her legal personal representative);
- g) The Options may be exercised at any time wholly or in part by delivering a duly completed form of notice of exercise together with a cheque for the Exercise Price per Option to the Company at any time on or after the date of issue of the Options and on or before the Expiry Date;
- h) The number of Options that may be exercised at one time must be not less than 20,000;
- i) Upon the valid exercise of the Options and payment of the Exercise Price, the Company will issue fully paid ordinary shares ranking pari passu with the then issued ordinary shares;
- j) The Option holder does not participate in any dividends unless the Options are exercised and the resultant shares of the Company are issued prior to the record date to determine entitlements to the dividend;
- k) The Option holder does not have any right to participate in new issues of securities in the Company made to Shareholders generally. The Company will, where required pursuant to the Listing Rules, provide the Option holder with notice prior to the books record date (to determine entitlements to any new issue of securities made to shareholders generally) to exercise the Options, in accordance with the requirements of the Listing Rules;
- l) In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company:
 - i. The number of Options, the Exercise Price of the Options, or both will be reconstructed (as appropriate) in a manner consistent with the Listing Rules as applicable at the time of reconstruction, but with the intention that such reconstruction will not result in any benefits being conferred on the holders of the Options which are not conferred on shareholders; and
 - ii. Subject to the provisions with respect to rounding of entitlements as sanctioned by a meeting of shareholders approving a reconstruction of capital, in all other respects the terms for the exercise of the Options will remain unchanged;



- m) If there is a pro rata issue (except a bonus issue), the Exercise Price of an Option may be reduced according to the following formula:

$$O^n = \frac{O - E [P - (S + D)]}{N + 1}$$

Where:

- O^n = the new exercise price of the Option;
- O = the old exercise price of the Option;
- E = the number of underlying securities into which one Option is exercisable;
- P = the average market price per security (weighted by reference to volume) of the underlying securities during the 5 trading days ending on the day before the ex right date or the ex entitlements date;
- S = the subscription price for a security under the pro rata issue;
- D = dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue);
- N = the number of securities with rights or entitlements that must be held to receive a right to one new security.
- n) If there is a bonus issue to the holders of shares in the Company, the number of shares over which the Option is exercisable may be increased by the number of shares which the Option holder would have received if the Option had been exercised before the record date for the bonus issue; and
- o) The terms of the Options shall only be changed if holders (whose votes are not to be disregarded) of ordinary shares in the Company approve of such a change. However, the terms of the Options shall not be changed to reduce the Exercise Price, increase the number of Options or change any period for exercise of the Options.

For personal use only



Appendix B



ESOP Summary


A summary of the rules of the ESOP is set out below:

- a) The Company has established an Option Plan to enable its executives and other eligible participants to promote the long term success of the Company, provide a strategic value based reward to such persons who make a key contribution to that success, and to promote their retention and align their interests with those of shareholders.
- b) A copy of the Option Plan Rules appears on the Company's website (www.investres.com.au).
- c) Under the terms of the Plan, the directors are authorised to invite eligible participants to participate in it by way of a participation letter setting out the number of Options which the person is entitled to, together with the vesting conditions, expiry dates and other relevant terms.
- d) Typically, the Options will have exercise prices above that of the market price at the time the Options were issued. They may have escrow sale restrictions attached to them. They may have vesting requirements attached to them. However, these aspects are for the Board to determine including quantum and expiry and other relevant terms.
- e) If it is proposed to issue any Options to the directors, then any such issue can only occur if shareholders provide their prior approval.
- f) In the event of a change of control of the Company or if the person is a standard leaver, vesting conditions will be deemed to be satisfied and the Options will vest if they are otherwise unvested at that point.



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 653 865
(outside Australia) +61 3 9415 4132

Proxy Form

  Vote and view the annual report online <ul style="list-style-type: none">• 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: <p>Control Number: SRN/HIN: PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.</p>	

 **For your vote to be effective it must be received by 2:00pm (Adelaide time) Tuesday 28 November 2017**

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** ➔

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.

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Investigator Resources 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 Investigator Resources Limited to be held at **Grant Thornton, Level 3, 170 Frome Street Adelaide, SA 5000 on Thursday, 30 November 2017 at 2:00pm (Adelaide time)** 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 **Items 1, 9 & 10** (except where I/we have indicated a different voting intention below) even though **Items 1, 9 & 10** 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 **Items 1, 9 & 10** 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
1 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Issue of Options to Dr. David Meldrum Ransom	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Mr. Bruce Foy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Approval of Employee Share and Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Dr. David Ransom	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11 Approval to issue an additional 10% of the issued capital of the Company over a 12 month period pursuant to Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Re-election of Mr. Kevin Wilson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

SPECIAL BUSINESS

5 Ratify the Issue of Shares under Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval to Issue options to participants in the Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Approval to Issue shares and options to participants in the Share Purchase Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Approval to Issue options to the Lead Manager	<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

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date / / _____