



**PANTORO**

**PANTORO LIMITED**

**ACN 003 207 467**

**NOTICE OF ANNUAL GENERAL MEETING**

**TIME:** 11:30 am (WST)  
**DATE:** 29 November 2016  
**PLACE:** The Celtic Club  
48 Ord Street  
West Perth WA 6005

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 6263 1110

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## Important Information

### Time and place of meeting

Notice is given that the meeting of the Shareholders to which this Notice of Meeting relates will be held at 11:30 am (WST) on 29 November 2016 at:

#### **The Celtic Club**

48 Ord Street  
West Perth WA 6005

### Your vote is important

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

### Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 11:30am (WST) on 27 November 2016.

### Voting in person

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

### Voting by proxy

To be valid, your proxy form (and any power of attorney under which it is signed) must be received at an address given below by 11:30am (WST) on Sunday, 27 November 2016. Any proxy form received after that time will not be valid for the scheduled meeting.

<b>Online</b>	At <a href="http://www.investorvote.com.au">www.investorvote.com.au</a>
<b>By mail</b>	Share Registry – Computershare Investor Services Pty Limited, GPO Box, 242, Melbourne Victoria 3001, Australia
<b>By fax</b>	1800 783 447 (within Australia) +61 3 9473 2555 (outside Australia)
<b>By mobile</b>	Scan the QR Code on your proxy form and follow the prompts
<b>Custodian voting</b>	For Intermediary Online subscribers only (custodians) please visit <a href="http://www.intermediaryonline.com">www.intermediaryonline.com</a> to submit your voting intentions

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

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

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## BUSINESS OF THE MEETING

### Business

The Explanatory Statement and Proxy Form which accompany and form part of this Notice, describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the Proxy Form in their entirety.

Capitalised terms not otherwise defined in this Notice have the meaning given in the Explanatory Statement which accompanies this Notice. References to the “Corporations Act” are to the Corporations Act 2001 (Cth), unless the context requires otherwise.

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### 1. Financial Report

To receive and consider the annual financial report, directors’ report and auditor’s report for the Company and its controlled entities for the year ended 30 June 2016.

Note: There is no requirement for shareholders to approve these documents.

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### 2. Resolution 1 – Remuneration Report

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

*“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company’s annual financial report for the financial year ended 30 June 2016.”*

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

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

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

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

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

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### 3. Resolution 2 – Re-Election of Director – Mr Scott Huffadine

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

*“That, for the purposes of clause 13.5 of the Constitution and for all other purposes, Mr Scott Huffadine, a Director who was appointed on 15 March 2016 by the Board to fill a casual vacancy, be elected as a Director.”*

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### 4. Resolution 3 – Re-Election of Director – Mr Michael Jefferies

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

*“That, for the purposes of clause 13.5 of the Constitution and for all other purposes, Mr Michael Jefferies, a Director who was appointed on 5 October 2016 by the Board to fill a casual vacancy, is elected as a Director.”*

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### 5. Resolution 4 – Re-Election of Director – Mr Kyle Edwards

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

*“That, for the purposes of clause 13.5 of the Constitution and for all other purposes, Mr Kyle Edwards, a Director who was appointed on 5 October 2016 by the Board to fill a casual vacancy is elected as a Director.”*

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### 6. Resolution 5 – Approval of Amended Long Term Incentive Plan

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

*“To approve in accordance with ASX Listing Rule 7.2 Exception 9 the issue of securities (including Performance Rights and Options) under the Company’s Long Term Incentive Plan (as amended) as an exception to Listing Rule 7.1 and to approve the adoption of the updated amended Plan.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any Director, other than any Directors who are ineligible to participate in any employee incentive scheme in relation to the Company, and any associates of those Directors. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

## 7. Resolution 6 – Grant of Options and Performance Rights to Mr Paul Cmrlec

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

*“That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14, sections 200B and 200E of the Corporations Act and for all other purposes, approval is given for the Company to grant under the Plan 5 million Options and 3 million Performance Rights to Mr Paul Cmrlec, the managing director of the Company (or his Nominee) on the terms and conditions set out in the Explanatory Statement and for any benefit under the Plan relating to those Options or Performance Rights that may be given to Mr Cmrlec (or his Nominee) in connection with any future retirement by Mr Paul Cmrlec from office or employment with the Company.”*

**ASX Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any Director of the Company who is eligible to participate in the Plan and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**Voting Prohibition Statement:** A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if the proxy is either:

- (a) a member of the Key Management Personnel; or
- (b) a Closely Related Party of such a member; and

the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the Chair; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

**Voting Restrictions under Sections 224 and 200E of the Corporations Act:** Additional voting restrictions apply under sections 224 and 200E of the Corporations Act. These are described in the Explanatory Statement.

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**8. Resolution 7 – Grant of Options and Performance Rights to Mr Scott Huffadine**

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

*“That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14, sections 200B and 200E of the Corporations Act and for all other purposes, approval is given for the Company to grant under the Plan 5 million Options and 1.5 million Performance Rights to Mr Scott Huffadine, an executive director of the Company (or his Nominee) on the terms and conditions set out in the Explanatory Statement and for any benefit under the Plan relating to those Options or Performance Rights that may be given to Mr Huffadine (or his Nominee) in connection with any future retirement by Mr Huffadine from office or employment with the Company.”*

**ASX Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any Director of the Company who is eligible to participate in the Plan and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**Voting Prohibition Statement:** A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if the proxy is either:

- (a) a member of the Key Management Personnel; or
- (b) a Closely Related Party of such a member; and

the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

**Voting Restrictions under Sections 224 and 200E of the Corporations Act:** Additional voting restrictions apply under sections 224 and 200E of the Corporations Act. These are described in the Explanatory Statement.

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**9. Resolution 8 – Approval under Sections 200B and 200E of the Corporations Act – Other Members of the Key Management Personnel**

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

*“For the purposes of Section 200B and 200E of the Corporations Act, approval is given to any member of the Key Management Personnel (who is not a Director) or his Nominee being permitted to exercise any Options granted to them under the Plan, and thereby receive a benefit, in connection with any future retirement from office or position of employment by that member of the Key Management Personnel with the Company.”*

**Voting Restriction:** In accordance with sections 200E(2A) and (2B) no votes on this Resolution may be cast by any member of the Key Management Personnel (who is not a Director) or any of their associates. This restriction does not prevent such persons or associates voting on the Resolution as proxy for another person which specifies how the proxy holder is to vote.

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**10. Resolution 9 – Approval of 10% Placement Facility -Listing Rule 7.1A**

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

*“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling 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 set out in the Explanatory Statement.”*

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

**DATED: 13 OCTOBER 2016**

**BY ORDER OF THE BOARD**

**DAVID OKEYB**

**COMPANY SECRETARY**



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## **Explanatory Statement**

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

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### **1. Company Financial Report, Directors' Report and Auditor's Report**

The financial report, directors' report and auditor's report for the Company will be laid before the Meeting. There is no requirement for Shareholders to approve these reports. The Chairman will allow a reasonable time for Shareholders to ask questions about or make comments on the management of the Company. Shareholders will also be given a reasonable opportunity to ask the auditor questions about the conduct of the audit, and the preparation and content of the auditor's report, the accounting policies adopted by the Company and the independence of the auditor in relation to the conduct of the audit.

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### **2. Resolution 1 – Adoption of the Remuneration Report**

The remuneration report for the Company is set out in the Company's 2016 Annual Report. The remuneration report outlines the Company's remuneration framework and the remuneration outcomes for the financial year the subject of the remuneration report for the Board and Key Management Personnel.

The Chairman will allow a reasonable opportunity for Shareholders to ask questions about, or make comments on, the remuneration report at the meeting.

Under the Corporations Act if, at two consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report, then a further resolution ("Spill Resolution") may be required to be considered at the second annual general meeting as to whether a further meeting be convened to put some or all of the Directors to re-election.

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the requirement for a Spill Resolution will not arise at this Meeting irrespective of the outcome of the vote on Resolution 1.

If you are appointing the Chair as your proxy, please note that the proxy form accompanying this Notice expressly authorises the Chair to vote any undirected proxies in favour of Resolution 1 even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Accordingly, if you are appointing the Chair as your proxy and do not wish your proxy to vote in favour of Resolution 1 you will need to mark "against" or "abstain" where indicated in the proxy form in relation to Resolution 1.

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### 3. **Resolution 2 – Re-Election of Director – Mr Scott Huffadine**

Clause 13.5 of the Constitution allows the Directors to appoint at any time a person to be a Director as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Scott Huffadine was appointed by the Board as a Director on 15 March 2016 and will cease to be a Director in accordance with clause 13.5 of the Constitution at the Meeting and, being eligible, seeks re-election.

Mr Huffadine (BSc Hons, MAusIMM) is a geologist with more than 20 years' experience in the resources industry, specifically in project management, geology and executive management. Mr Huffadine has held several key management positions ranging from operational start-ups involving open pit and underground mining projects, through to large integrated operations in gold and base metals.

Mr Huffadine was formerly a director of a number of resource companies including Westgold Resources Limited, Metals X Limited and the Managing Director of Kingsrose Mining Limited.

#### **Board Recommendation**

The other Directors recommend that Shareholders vote in favour of Resolution 2.

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### 4. **Resolution 3 – Re-Election of Director – Mr Michael Jefferies**

Clause 13.5 of the Constitution allows the Directors to appoint at any time a person to be a Director as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Michael Jefferies was appointed by the Board as a Director on 5 October 2016, and will cease to be a Director in accordance with clause 13.5 of the Constitution at the Meeting and, being eligible seeks re-election.

Michael Jefferies is a Chartered Accountant and holds a Bachelor of Commerce degree. Michael has extensive experience in finance and investment, including 20 years as an executive at Guinness Peat Group Plc.

Michael is a non-executive director of Resimac Limited, Ozgrowth Limited and Afterpay Limited and is Chairman of Touchcorp Limited. Michael was formerly a director of a number of financial services companies including Australian Wealth Management Limited, Tower Australia Limited and Clearview Wealth Limited. Michael was also formerly a director of a number of resources companies.

#### **Board Recommendation**

The other Directors recommend that Shareholders vote in favour of Resolution 3.

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## 5. Resolution 4 – Re-Election of Director – Mr Kyle Edwards

Clause 13.5 of the Constitution allows the Directors to appoint at any time a person to be a Director as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Kyle Edwards was appointed by the Board as a Director on 5 October 2016 and will cease to be a Director in accordance with clause 13.5 of the Constitution at the Meeting and, being eligible seeks re-election.

Kyle Edwards is an experienced corporate and resources lawyer and has been a Director of EMK Lawyers (a Western Australian based corporate and resources law firm) since July 2013. Mr Edwards' legal career has focussed on mining and resources law, mergers and acquisitions (including cross-board transactions), capital markets and native title law.

### Board Recommendation

The other Directors recommend that Shareholders vote in favour of Resolution 4.

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## 6. Resolution 5 – Issue of Securities under Long Term Incentive Plan

This Resolution seeks Shareholders approval for the issue of securities under the Company's Long Term Incentive Plan ("Plan") in accordance with ASX Listing Rule 7.2 (Exception 9(b)).

### Updated Plan

The Plan was originally approved by shareholders at the Company's annual general meeting on 25 November 2014. Since that time the Board have resolved to make changes to the Plan, primarily to take account of regulatory changes in the interim, notably ASIC Class Order CO 14/1000 and changes to taxation laws affecting the way rights granted under employee incentive schemes are taxed. Schedule 1 contains a summary of the terms of the Plan as amended. Accordingly, the Company seeks renewal of the Shareholders' approval to issues of securities under the Plan and the adoption of the Plan as amended.

The objective of the Plan is to assist in attracting, motivating and retaining key employees and it is considered by the Company that the adoption of the amended Plan and the future issue of securities under the Plan will provide selected employees and other eligible participants with the opportunity to participate in the future growth of the Company in a manner which aligns their interests with the interests of the Shareholders as a whole.

Any future issues of securities under the Plan to a related party or a person whose relation with the company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time. Accordingly, the Company is also seeking approval under Resolutions 6 and 7 for the issue of securities to two executive Directors (or their Nominees) pursuant to the Plan.

## Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period. ASX Listing Rule 7.2 (Exception 9(b)) sets out an exception to ASX Listing Rule 7.1 which provides that issues under an employee incentive scheme are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the scheme as an exception to ASX Listing Rule 7.1.

If the Resolution is passed, the Company will be able to issue securities under the Plan to eligible participants over a period of 3 years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period.

## Securities Issued under the Plan since Last Approval

The number of securities issued under the Plan since 25 November 2014 is as follows:

Number	Type of securities
6,250,000	Options
3,000,000	Performance Rights

For completeness, the number of securities issued under the Plan since 25 November 2014 which are current (have not been exercised, cancelled or expired) as of the date of this notice of meeting are as follows:

Number	Type of securities
3,900,000	Options
1,000,000	Performance Rights

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## **7. Resolutions 6 and 7 Grant of Options and Performance Rights to Directors Mr Paul Cmrlec and Mr Scott Huffadine**

### **7.1 General**

The Company has agreed, subject to obtaining Shareholder approval, to issue a total of 10 million Options (**Related Party Options**) and 4.5 million Performance Rights (**Related Party Performance Rights**) to Messrs Paul Cmrlec and Scott Huffadine (**Related Parties**) or their Nominees in the proportions and on the terms and conditions set out below.

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

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

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

The grant of the Related Party Options and Performance Rights constitutes giving a financial benefit. Messrs Cmrlec and Huffadine are related parties of the Company by virtue of being Directors of the Company.

It is the view of the Company that the exceptions set out in sections 210 to 216 of the Corporations Act may, but do not necessarily, apply in the current circumstances. Accordingly, out of prudence, Shareholder approval is sought for the grant of the Related Party Options and the Performance Rights to the relevant Related Parties or their Nominees.

In addition, ASX Listing Rule 10.14 also requires shareholder approval to be obtained where the Company issues, or agrees to issue, securities to a related party under the Plan. Accordingly, Shareholders approval to grant the Related Party Options and the Performance Rights is also being sought under ASX Listing Rule 10.14.

### **7.2 Shareholder Approval (Chapter 2E of the Corporations Act and Listing Rule 10.14)**

In accordance with the requirements of section 219 of the Corporations Act and ASX Listing Rule 10.15, the following information is provided in relation to the proposed grant of the Related Party Options and Performance Rights to the Related Parties (or their Nominees):

- (a) the related parties are Messrs Cmrlec and Huffadine and they are each related parties by virtue of being Directors of the Company. If any Related Party Options or Related Party Performance Rights are to be granted to a Nominee of a Related Party then such Nominee will be a related party by virtue of being an entity controlled by that Related Party;
- (b) the maximum number of Related Party Options and Related Party Performance Rights (being the nature of the financial benefit being provided) to be granted to each of the Related Parties is:

- (i) 5 Million Related Party Options and 3 Million Related Party Performance Rights to Mr Cmrlec or his Nominee; and
  - (ii) 5 Million Related Party Options and 1.5 Million Related Party Performance Rights to Mr Huffadine or his Nominee;
- (c) the Related Party Options and the Performance Rights will be granted to the Related Parties no later than 12 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated all Related Party Options and Performance Rights will be granted on one date;
  - (d) the Related Party Options and Performance Rights will be granted for nil cash consideration, accordingly no funds will be raised by their grant (but funds may be raised in the future to the extent that Related Party Options are ultimately exercised);
  - (e) the terms and conditions of the various Related Party Options, including their expiry dates and exercise prices are set out in Schedule 2 and the terms and conditions of the Related Party Performance Rights are set out in Schedule 3;
  - (f) the value of the Related Party Options and Performance Rights and the valuation methodology is set out in Schedule 4;
  - (g) the relevant interests of each the Related Parties in securities of the Company are set out below:

Related Party	Shares	Options	Performance Rights
Mr Paul Cmrlec	3,281,893 <sup>1</sup>	2,117,099 <sup>2</sup>	1,500,000 <sup>3</sup>
Mr Scott Huffadine	915,767 <sup>4</sup>	2,057,577 <sup>5</sup>	Nil

**Notes:**

1. 2,627,518 of these Shares are registered in the name of Berrimil Services Pty Ltd ATF Berrimil Services Trust of which Paul Cmrlec is a director, shareholder and trust beneficiary. 143,750 of these Shares are registered in the name of Dannielle Brooke Cmrlec, spouse of Paul Cmrlec.

2. 117,009 of these Options are exercisable at \$0.06 each on or before 25 August 2017 and are registered in the name of Berrimil Services Pty Ltd ATF Berrimil Services Trust. The remaining 2,000,000 Options are exercisable at \$0.09 each on or before 21 November 2016 and are registered in the name of Berrimil Services Pty Ltd ATF Berrimil Services Trust.

3. These Performance Rights expire on 21 November 2016 and are registered in the name of Berrimil Services Pty Ltd ATF Berrimil Services Trust.

4. 217,500 of these Shares are registered in the name of Ms Penelope Shearing, spouse of Scott Huffadine. 340,000 of these Shares are registered in the name of Mr Scott James Huffadine ATF The Huffadine Family Trust. The remaining 358,267 Shares are registered in the name of Bond Street Custodians as nominee of Mr Scott James Huffadine and Ms Penelope Shearing.

5. 21,750 of these Options are exercisable at \$0.06 each on or before 25 August 2017 and are registered in the name of Ms Penelope Shearing, spouse of Scott Huffadine. 35,826 of these Options are exercisable at \$0.06 each on or before 25 August 2017 and are registered in the name of Bond Street Custodians \_\_\_ as nominee of Mr Scott James Huffadine and Ms Penelope Shearing. The remaining 2,000,000 Options are exercisable at \$0.10 each on or before 30 January 2019 and are registered in the name of Mr Scott Huffadine ATF Huffadine Family Trust.

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

Related Party	Current Financial Year	Previous Financial Year	Previous Financial Year Share Based Payments
Mr Paul Cmrlec <sup>1</sup>	445,000 <sup>2</sup>	385,000	16,535
Mr Scott Huffadine	321,550	147,018	55,236

#### Notes

1. Paul's services are provided under a consultancy agreement between the Company and Berrimil Services Pty Ltd. Berrimil Services Pty Ltd is the trustee of the Berrimil Services Trust of which Paul Cmrlec is a director, shareholder and trust beneficiary.

2. As Paul's services are provided under a consultancy agreement between the Company and Berrimil Services Pty Ltd the current financial year is an estimate.

- (i) if all Related Party Options and Performance Rights granted to the Related Parties are exercised, a total of 14.5 Million Shares would be issued. This will increase the number of Shares on issue from 739,369,977 to 753,869,977 (assuming that no other Shares are issued in the meantime) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 1.92%, comprising 1.07% by the issue of Shares Mr Cmrlec or his Nominee and 0.87% by the issue of Shares to Mr Huffadine or his Nominee;
- (j) the market price for Shares as traded on the ASX during the term of the Related Party Options would normally determine whether or not the Related Party Options are exercised. If, at the time that any of the Related Party Options are exercised, the Shares are trading on ASX at a price that is higher than the exercise price of those Related Party Options, there may be a notional or actual cost to the Company, including by way of an opportunity cost, being the loss of the opportunity to issue the resultant Shares at an issue price which is equal to, or close to, the then market price of the Shares;
- (k) some details of the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	20 cents	15 August 2016
Lowest	5.5 cents	30 November 2015
Last	16 cents	12 October 2016

- (l) a primary purpose of the grant of the Related Party Options and the Performance Rights to the Related Parties is to provide a performance linked incentive component in the overall remuneration package for each Related Party to motivate and reward the performance of the Related Party in their respective roles as executive Directors and to assist the Company in retaining their services and expertise in a manner which does not unduly impact on the cash reserves of the Company;
- (m) all Directors of the Company being Messrs Paul Cmrlec, Scott Huffadine, Michael Jefferies and Kyle Edwards and their Nominees are eligible to participate in the Plan (subject to Shareholder approval);
- (n) the details all Directors or their associates who received securities under the Plan since 25 November 2014 is as set out below:

Name of director or associate	Type of security	Number of securities	Acquisition Price
Scott Huffadine	Options, exercise price \$0.10, expiry 30 Jan 2019	2,000,000	Nil

- (o) Mr Michael Jeffries, recommends that Shareholders vote in favour of each of Resolutions 6 and 7 for the following reasons:
  - (i) the grant of Related Party Options and Performance Rights to the Related Parties or their Nominees will align interests of the relevant Related Parties with those of Shareholders and provide meaningful incentive to those Related Parties to work towards the Company becoming commercially successful; and
  - (ii) having regard to the size and level of operations of the Company, its cash reserves and the importance to the Company of attracting and retaining experienced and qualified Directors in a manner which does not unduly impact on the Company's cash resources, the grant of the Related Party Options and Performance Rights is a reasonable and appropriate method to provide cost effective supplementary remuneration to those Related Parties thereby allowing the Company to spend a greater proportion of its cash reserves on its operations;
- (p) Mr Kyle Edwards, recommends that Shareholders vote in favour of each of Resolutions 6 and 7 for the following reasons:
  - (i) the grant of Related Party Options and Performance Rights to the Related Parties or their Nominees will align interests of the relevant Related Parties with those of Shareholders and provide meaningful incentive to those Related Parties to work towards the Company becoming commercially successful; and



- (ii) having regard to the size and level of operations of the Company, its cash reserves and the importance to the Company of attracting and retaining experienced and qualified Directors in a manner which does not unduly impact on the Company's cash resources, the grant of the Related Party Options and Performance Rights is a reasonable and appropriate method to provide cost effective supplementary remuneration to those Related Parties thereby allowing the Company to spend a greater proportion of its cash reserves on its operations;
- (q) Mr Cmrlec does not wish to make a recommendation to Shareholders in relation to either of Resolutions 6 and 7 due to his having a material personal interest in the outcome of Resolution 6 on the basis that he or his Nominee is to be granted Related Party Options and Performance Rights if that Resolution is passed;
- (r) Mr Huffadine does not wish to make a recommendation to Shareholders in relation to either of Resolutions 6 and 7 due to his having a material personal interest in the outcome of Resolution 7 on the basis that he or his Nominee is to be granted Related Party Options and Performance Rights if that Resolution is passed;
- (s) except as specified above , no other Director has a personal interest or other interest in the outcome of the Resolutions;
- (t) in forming their various recommendations, each of Michael Jefferies and Kyle Edwards considered the qualifications and experience of each Related Party, the current market price of Shares, the current market practices when determining the number of Related Party Options and Performance Rights to be granted as well as the exercise price, expiry date and other material terms of those Related Party Options; and
- (u) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass these Resolutions.

### 7.3 **Additional Disclosures under the ASX Listing Rules**

Approval pursuant to ASX Listing Rule 7.1 is not required in order to grant the Related Party Options to the Related Parties or their nominees as approval is being obtained under ASX Listing Rule 10.14. Accordingly, the issue of Related Party Options to the Related Parties or their Nominees will not be included in the 15% calculation of the Company's twelve month capacity to issue Shares or other securities without shareholder approval pursuant to ASX Listing Rule 7.1.

### 7.4 **Voting Prohibition – Section 224 of the Corporations Act**

Sections 224(1) and (2) of the Corporations Act provide that a vote may not be cast (in any capacity) by or on behalf of the related party to whom the resolution would permit a financial benefit to be given (or an associate of that person) other than a vote cast a proxy by a person in writing that specifies how the proxy is to vote on the proposed resolution and which is not cast on behalf of the relevant related party (or an associate of that person).

### 7.5 **Sections 200B and 200E of the Corporations Act**

Mr Paul Cmrlec and Mr Scott Huffadine both occupy managerial or executive office with the Company within the meaning of section 200AA of the Corporations Act.

Section 200B of the Corporations Act generally provides that, subject to specific exceptions, Shareholder approval is required for the giving of benefits to a person occupying a managerial or executive office with the Company in connection with their retirement from a managerial or executive office. The term 'benefits' is widely defined and may include the early vesting or acceleration of Options or Performance Rights or waiver of exercise or forfeiture conditions or performance hurdles.

The Plan, and the terms and conditions of grant of Options and Performance Rights under the Plan to Messrs Cmrlec and Huffadine (or their Nominees), contain a number of provisions which may operate to entitle the Messrs Cmrlec and Huffadine (or their Nominees) to exercise Related Party Options or Performance Rights earlier and/or in different circumstances than might otherwise be the case in connection with their ceasing to hold a managerial or executive office with the Company. Some of the relevant provisions in the Plan (or terms and conditions) are subject to the Board exercising their discretion to allow such exercise (whether by waiving conditions of exercise or extending the period for exercise or otherwise).

Accordingly, the retirement benefit that may be given under the Plan is waiver of exercise conditions, performance hurdles or other conditions or early vesting of Options or Performance Rights in certain circumstances (or extension of time to exercise Options or Performance Rights) including upon termination of employment or office with the Company due to resignation, redundancy, retirement, permanent incapacity or death or where a takeover bid is made for the Shares in the Company.

The value of any such benefits which may be given to Mr Cmrlec (or their Nominees) cannot presently be ascertained but matters, events and circumstances that will, or are likely to, affect the calculation of that value include:

- (a) the number of Options or Performance Rights held by the participant;
- (b) the number of Options in relation to which exercise or other conditions are waived;
- (c) the number of Options or Performance Rights that vest or are exercisable early;
- (d) the price of Shares on the ASX on the date of calculation;
- (e) the status of an exercise conditions, performance hurdles or other conditions for Options or Performance Rights at the time of ceasing to hold a managerial or executive office with the; and
- (f) the participant's length of service and reasons for ceasing to hold a managerial or executive office with the Company.

Shareholder approval is sought under section 200E of the Corporations Act to the giving of any benefit to Mr Cmrlec or Mr Huffadine (or their respective Nominees) in connection with their future cessation of office or position with the Company under the terms of the Plan (or terms and conditions of grant) in relation to the Related Party Options or Performance Rights, including as a result of any future exercise of a discretion by the Board under the terms of the Plan or the terms and conditions of the Options or Performance Rights.

Mr Cmrlec and Mr Huffadine have advised they have no current intention to resign their positions with the Company.

## 7.6 **Voting Prohibition – Section 200E of the Corporations Act**

In accordance with sections 200E(2A) and (2B) of the Corporations Act no votes on Resolution 6 may be cast by Mr Paul Cmrlec or any associate of Mr Paul Cmrlec. This restriction does not prevent Mr Paul Cmrlec or associate voting on the Resolution as proxy for another person which specifies how the proxy holder is to vote.

In accordance with sections 200E(2A) and (2B) no votes on Resolution 7 may be cast by Mr Scott Huffadine or any associate of Mr Scott Huffadine. This restriction does not prevent Mr Scott Huffadine or associate voting on the Resolution as proxy for another person which specifies how the proxy holder is to vote.

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## 8. **Resolution 8 – Approval of Retirement Benefits under the Plan to members of the Key Management Personnel who are not Directors**

The Plan permits the grant of Options or Performance Rights to other members of the Company's Key Management Personnel.

Section 200B of the Corporations Act generally provides that, subject to specific exceptions, Shareholder approval is required for the giving of benefits to members of the Key Management Personnel in connection with their retirement from a managerial or executive office. The term 'benefits' is widely defined and may include the early vesting or acceleration of Options or Performance Rights or the waiver of exercise conditions or performance hurdles.

The Plan, and the terms and conditions of grant of Options and Performance Rights under the Plan to members of the Key Management Personnel (or their Nominees) contain a number of provisions which may operate to entitle the holder to exercise Options or Performance Rights earlier and/or in different circumstances than might otherwise be the case in connection with their ceasing to hold a managerial or executive office with the Company. Some of the relevant provisions in the Plan (or terms and conditions) are subject to the Board exercising their discretion to allow such exercise (whether by waiving conditions of exercise or vesting periods or performance hurdles or extending the period for exercise or otherwise).

Presently the only non-Director members of Key Management Personnel who hold Options or Performance Rights under the Plan is the Chief Financial Officer, Mr Scott Balloch who holds 500,000 Options. It is possible that additional Options or Performance Rights may be issued under the Plan in the future to members of the Key Management Personnel.

Accordingly, the retirement benefit that may be given under the Plan is waiver of exercise or other conditions or performance hurdles or early vesting of Options or Performance Rights in certain circumstances (or extension of time to exercise Options or Performance Rights) including upon termination of employment or office with the Company due to resignation, redundancy, retirement, permanent incapacity or death or in situations where or where a takeover bid is made for the Shares in the Company.

The value of such benefits cannot presently be ascertained but matters, events and circumstances that will, or are likely to, affect the calculation of that value include:

- (a) the number of Options or Performance Rights held by the participant;
- (b) the number of Options in relation to which exercise or other conditions are waived;

- (c) the number of Options or Performance Rights that vest early;
- (d) the price of Shares on the ASX on the date of calculation;
- (e) the status of an exercise conditions or other conditions for Options or Performance Rights at the time of ceasing to hold a managerial or executive office with the; and
- (f) the participant's length of service and reasons for ceasing to hold a managerial or executive office with the Company.

Shareholder approval is sought under section 200E of the Corporations Act to the giving of any benefit to a non-Director member of the Key Management Personnel (or their respective Nominees) in connection with their future cessation of office or position with the Company under the terms of the Plan (or terms and conditions of grant) in relation to any Options or Performance Rights granted (or which may in the future be granted) , including as a result of any future exercise of a discretion by the Board.

Mr Balloch and Mr Okeby, the non-Director members of the Key Management Personnel have advised they have no current intention to resign their positions with the Company.

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## **9. Resolution 9 – Additional 10% Placement Facility – Listing Rule 7.1A**

### **9.1 General**

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

The Company is an Eligible Entity.

If Shareholders approve Resolution 9, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in section 9.2 below).

The effect of Resolution 9 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 9 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 9 for it to be passed.

### **9.2 ASX Listing Rule 7.1A**

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

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

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

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of less than \$300,000,000.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has two classes of quoted Equity Securities on issue, being the Shares (ASX Code: (PNR)) and options with the expiry date 25 August 2017(ASX Code (PNO)).

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

**(A x D) – E**

Where:

- A is the number of Shares on issue 12 months before the date of issue or agreement to issue:
  - (i) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
  - (ii) plus the number of partly paid shares that became fully paid in the previous 12 months;
  - (iii) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4; and
  - (iv) less the number of Shares cancelled in the previous 12 months.
- D is 10%.
- E is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

### 9.3 **Technical information required by ASX Listing Rule 7.1A**

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 9:

- (a) **Minimum Price**

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

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or

- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in section (i) above, the date on which the Equity Securities are issued.

(b) Date of Issue

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

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

**(10% Placement Capacity Period).**

(c) Risk of voting dilution

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

If Resolution 9 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

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

The table also shows the voting dilution impact where the number of Shares on issue (**Variable 'A'** in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	\$0.08 50% decrease in Issue Price	\$0.16 Issue Price	\$0.32 100% increase in Issue Price
653,703,297 (Current Variable 'A')	Shares issued - 10% voting dilution	65,370,330 Shares	65,370,330 Shares	65,370,330 Shares
	Funds raised	\$5,229,626	\$10,459,253	\$20,918,506
980,554,946 (50% increase in Variable 'A')	Shares issued - 10% voting dilution	98,055,495 Shares	98,055,495 Shares	98,055,495 Shares
	Funds raised	\$7,844,440	\$15,688,879	\$31,377,758
1,307,406,594 (100% increase in Variable 'A')	Shares issued - 10% voting dilution	130,740,659 Shares	130,740,659 Shares	130,740,659 Shares
	Funds raised	\$10,459,253	\$20,918,506	\$41,837,011

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

The table above uses the following assumptions:

- (i) There are currently 739,369,977 Shares on issue.
- (ii) The issue price set out above is the closing price of the Shares on the ASX on 4 December 2016.
- (iii) The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
- (iv) The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options or Performance Rights are exercised into Shares before the date of issue of the Equity Securities.

- (v) The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own individual shareholding depending on their specific circumstances.
- (vi) This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
- (vii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.

Shareholders should note that there is a risk that:

- (viii) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ix) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) Purpose of Issue under 10% Placement Capacity

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

- (i) for cash consideration in which case the Company intends to use funds raised for continued exploration, development and operation of the Company's Halls Creek Project, general working capital or in connection with the acquisition costs of any further interests or investments in exploration or mining mineral assets the Company may acquire in the future (or the development or operation of such assets); or
- (ii) as non-cash consideration in connection with the acquisition costs of any further interests or investments in exploration or mining mineral assets the Company may acquire in the future (and in such circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3).

(e) Allocation policy under the 10% Placement Capacity

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s).

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

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

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;



- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

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

(f) Previous Approval under ASX Listing Rule 7.1A

The Company previously obtained approval under ASX Listing Rule 7.1A on 27 November 2015.

During the 12 months preceding the date of this Meeting, the total number of Equity Securities issued was 132,750,000, representing 26.21% of the total number of Equity Securities on issue as at the commencement of the 12 month period.

Details of each issue of Equity Securities since 29 November 2015 are set out in Schedule 5.

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

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

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

#### 9.4 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 9.

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**10. General**

The Chair intends to vote any undirected proxies conferred on the Chair in favour of each Resolution (unless legally precluded from so doing).

Shareholders may choose to direct the Chair (as proxy) to vote for or against any Resolution or to abstain from voting by marking the proxy form where indicated in relation to each Resolution.

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## GLOSSARY

In this Explanatory Statement (and the Notice of Meeting) the following terms will bear the following meanings, unless the context otherwise requires:

**\$** means Australian dollars.

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

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited.

**ASX Listing Rules** or **Listing Rules** means the Listing Rules of ASX.

**Board** means the current board of directors of the Company.

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

**Chair** means the chair of the Meeting and where relevant the Chair for the relevant part of the Meeting.

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

- A. a spouse or child of the member;
- B. a child of the member's spouse;
- C. a dependent of the member's spouse;
- D. anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- E. a company the member controls; or
- F. a person prescribed by the Corporations Regulations 2001 (Cth).

**Company** means Pantoro Limited.

**Constitution** means the Company's constitution.

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

**Director** means a director of the Company.

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

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

**Eligible Participants** means Eligible Participants under the Plan.

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

**Expiry Date** means the expiry date for Options or Performance Rights, as the case may be, granted under the Plan.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

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

**Key Management Personnel** has the same meaning as in the accounting standards (as that term is defined in the Corporations Act) and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, directly or indirectly, including any director (whether executive or non-executive) of the Company or if the Company is part of a consolidated entity of an entity within the consolidated group.

**Meeting** means the annual general meeting of Shareholders convened by this Notice.

**Nominee** means a nominee permitted under the Plan.

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

**Option** means an option to be issued a Share granted under the Plan.

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

**Variable A** means "A" as set out in the calculation in section 9.3(c) of the Explanatory Statement.

**Performance Rights** means performance rights granted under the Plan.

**Plan** means the Company's Long Term Incentive Plan as amended.

**Proxy Form** means the proxy form accompanying the Notice.

**Related Party Options** means the Options proposed to be granted to Messrs Cmrlec and Huffadine or their respective Nominees.

**Related Party Performance Rights** means the Performance Rights proposed to be granted to Messrs Cmrlec and Huffadine or their respective Nominees.

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

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

**Shareholder** means a holder of a Share.

**10% Placement Capacity** has the meaning given in section 9.1 of the Explanatory Statement.

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

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## Schedule 1 – Summary of the Company’s Long Term Incentive Plan (as amended)

- A. The Plan provides for the issue of rights to acquire Shares. These rights are of two broad types, either “Options” or “Performance Rights”.
- B. The objective of the Plan is to reward the efforts of and provide incentives for Directors, key employees and key consultants of the Company and its related bodies corporate by enabling Eligible Participants to participate in the future growth and profitability of the Company and to attract and retain a high standard of managerial and technical personnel for the benefit of the Company.
- C. Eligible Participants include Directors, contractors and full or part time employees of the Company (or a related body corporate), whether full or part time. To be eligible, contractors or casual employees must work or be reasonably expected to work at least the equivalent of 40% of full time.
- D. The Board will determine which Eligible Participants are to be offered Options and/or Performance Rights under the Plan having regard to criteria to be determined by the Board.
- E. The Board will determine how many Options or Performance Rights are to be offered in each instance and the material terms and conditions of such Options or Performance Rights, including (subject to the ASX Listing Rules) performance hurdles or other exercise or vesting conditions (as appropriate).
- F. The number of Options and Performance Rights on issue under the Plan or a previous plan when aggregated with shares issued in the previous 3 years under the Plan or a previous plan will not exceed 5% of the issued shares in the Company (assuming all Options and Performance Rights were exercised). This 5% limit does not apply to offers made outside Australia or made under section 708 of the Corporations Act or made under the disclosure document or made under certain exemptions under previous Corporations laws.
- G. The exercise price for Options issued under the Plan will be set by the Board at the time the Options are offered.
- H. The exercise price for a Performance Right will be nil unless the Board otherwise determines prior to the offer of the Performance Right.
- I. The Expiry Date for a Performance Right or an Option will be as determined by the Board and failing any determination then the Expiry Date will be the date 2 years after the later of the issue date and vesting date for the relevant Performance Right or Option.
- J. The vesting date for Performance Rights and Options is, in relation to Performance Rights and Options which are subject to conditions, the date the last of the conditions attaching to the Performance Right or Option are satisfied or are waived by the Board otherwise the vesting date will be the issue date.
- K. Performance Rights and Options may generally only be exercised during the period commencing on the later of the relevant vesting date and the Expiry Date.
- L. The Board may if it considers fit impose exercise conditions, vesting conditions and forfeiture conditions which if not satisfied or waived by the Board in its discretion will cause the Options or Performance Rights to be cancelled.

- M. Options or Performance Rights may become exercisable earlier in the event of certain special circumstances, including change of control, takeovers and other events.
- N. The Options and Performance Rights will not be listed for quotation on the ASX and will not be transferable.
- O. The Company will make application for quotation on ASX of Shares issued pursuant to exercise of the Options or Performance Rights.
- P. An Eligible Participant may elect to take any offered Options or Performance Rights in a nominee approved by the Directors that meets specified requirements.
- Q. If an Eligible Participant ceases to be an Eligible Participant, then generally the Options or Performance Rights granted to the Eligible Participant or their approved nominee will lapse.
- R. The Board may in its discretion determine that the Options granted to a Participant whose relevant person voluntarily resigns from employment with, or terminates their engagement with, a Group Company (other than to take up employment with another Group Company) at any time after an Option has become exercisable, may be exercised by the Participant before the earlier of the Expiry Date or the date which is 3 months after such resignation or termination (or the earlier of the Expiry Date or such other date as the Board determines).
- S. Options and Performance Rights that are subject to a Restricted Period and Options that are exercisable will not lapse and be forfeited if the Participant's relevant person ceases employment or is removed from his or her position with the Company in the following circumstances: death of the Participant; the Participant's relevant Person suffers a Permanent Disability; retirement; redundancy; or any other reason, based on which the Board believe is fair and reasonable to warrant the Participant maintaining his/her right to exercise the Options or Performance Rights. Any such Participant may exercise the Options and/or Performance Rights on the earlier of the relevant Expiry Date and the date which is 12 months from the date the Company receives notice or determines the existence of the specified event (as the case may be) and acknowledges the event in writing.
- T. If there is a reorganisation of the share capital of the Company, the number of Shares to which an eligible participant is entitled to receive upon exercise of a Share Performance Right or Option will be adjusted in the way specified by the Listing Rules from time to time.
- U. There are no participation rights or entitlements inherent in the Performance Rights or Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of Performance Rights or Options.
- V. The Board may at any time and from time to time by resolution alter the Plan.
- W. The Board may suspend or terminate the Plan at any time, without notice, but the suspension or termination will not affect any existing grants of Performance Rights or Options.

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## Schedule 2 – Terms of the Related Party Options

### General

- (a) the Options will be granted to for nil cash consideration;
- (b) all Options will have an Expiry Date of 5.00 pm Western Standard Time on the date three years after the date of grant of the Options (although the Options may lapse earlier than this date in accordance with the terms of the Plan);
- (c) “**VWAP**” means the volume weighted average price at which issued fully paid ordinary shares in the Company are traded on the ASX during the five trading days on which shares in that class are traded on the ASX prior to the date of grant of the Options.
- (d) the exercise prices for the Options are:
  - (i) in relation to 50% of the Options (“**First Tranche Options**”), 120% x VWAP prior to the date of grant of the Options; and
  - (ii) in relation to the other 50% of the Options (“**Second Tranche Options**”), 125% x VWAP prior to the grant of the Options.
- (e) the Options are subject to the following Exercise Conditions:
  - (i) the First Tranche Options are subject to an Exercise Condition that the offeree remain an Eligible Participant of the Company for 12 months from the date of grant of the First Tranche Options;
  - (ii) the Second Tranche Options are subject to an Exercise Condition that the offeree remain an Eligible Participant of the Company for 24 months from the date of grant of the Second Tranche Options.

### Other Terms and Conditions of Options

#### Exercise of Options

1. Each Option entitles the Holder to subscribe for one Share on exercise of the Option.
2. Subject to paragraph 5, a Holder may not exercise Options before expiry of the Restricted Period.
3. Subject to paragraph 5, a Holder may only exercise Options during the Exercise Period (and then only after any Exercise Conditions or other Forfeiture Conditions have been satisfied or waived by the Company).
4. On expiry of the Exercise Period an Option not exercised shall automatically lapse.
5. Notwithstanding paragraph 3, Options may be exercised in the discretion of the Board in any of the following circumstances:
  - (a) following a takeover bid (as defined in section 9 of the Corporations Act) being made for the issued Shares in the Company; or

- (b) following a scheme of arrangement being proposed for the purposes of the Company merging with another company (such that the Company and the other company are proposed to become related body corporates of each other within the meaning of section 50 of the Corporations Act); or
  - (c) following the occurrence and announcement by the Company of an event that in the opinion of the Board is likely to lead to the Company being removed from the official list of ASX; or
  - (d) within 12 months, in the event of the death or Permanent Disablement of an Eligible Participant, in respect of Options held by or on behalf of that Eligible Participant
6. If, in the reasonable opinion of the Board, an Eligible Participant acts fraudulently or dishonestly in any material respect or is in material breach of his or her obligations to any Group Company, then, notwithstanding any other provision in these Rules, the Board may deem any unexercised Options held by or on behalf of the Eligible Participant to have lapsed.

#### **Options Issued under the Company's Long Term Incentive Plan**

7. The Options are issued under, and are subject to, the Company's Long Term Incentive Plan as approved by the Company's shareholders on 25 November 2014 (including any amendments made prior to the date of grant) ("the Plan").
8. Terms and expressions defined in the Plan will bear the same meaning where used in these terms and conditions (unless the context otherwise requires).

#### **Notice of exercise**

9. Options may only be exercised by notice in writing to the Company which is signed by the Holder and delivered to the registered office of the Company. The notice must specify the number of Options being exercised and must be accompanied by:
- (a) the Exercise Price for the number of Options specified in the notice; and
  - (b) the certificate or holding statement for those Options, for cancellation by the Company.
10. The notice only becomes effective when the Company has received the full amount of the Exercise Price for the number of Options specified in the notice in cleared funds.

#### **Issue of certificates**

11. Subject these terms, within 10 Business Days of the notice referred to in paragraph 9 above becoming effective, the Board must:
- (a) allot and issue the number of Shares specified in the notice to the Holder;
  - (b) cancel the certificate or holding statement for the Options being exercised; and
  - (c) if applicable, issue a new certificate or holding statement for any remaining unexercised Options covered by the certificate or holding statement accompanying the notice.



## Allotment of Shares

12. All Shares allotted upon the exercise of Options will be credited as fully paid and will be of the same class and rank equally in all respects with other Shares, and, in particular, entitle their holders to participate fully in:
  - (a) dividends declared by the Company after the date of allotment; and
  - (b) all issues of securities offered to holders of Shares where entitlements to participate in those issues are determined by reference to a record date after the date of allotment of Shares allotted upon the exercise of Options.

## Quotation on ASX

13. If existing Shares are officially quoted by ASX, the Company must apply for official quotation by ASX of all Shares allotted pursuant to the exercise of Options not later than 10 Business Days after the date of allotment.
14. The Company will not apply to have the Options granted under the Plan quoted on ASX or any other stock exchange and the Options will not be listed on ASX or any other stock exchange.

## New issues

15. Holders will only be permitted to participate in a pro rata issue of Shares to the holders of Shares on the prior exercise of Options. The Company must notify the Holder of the proposed issue at in accordance with the requirements of the ASX Listing Rules.

## Bonus issues

16. If from time to time prior to the expiry of any Options the Company makes an issue of any class of shares to the holders of Shares on a pro rata basis by way of capitalisation of profits or reserves (other than an issue in lieu of dividends) (a **Bonus Issue**) then upon exercise of an Option, each Holder is entitled to have issued (in addition to the Shares which would otherwise be issued upon such exercise) the number of shares of the class which would have been issued to the Holder under the Bonus Issue (**Bonus Shares**) if on the date on which entitlements to participate in the Bonus Issue were calculated the Holder had been registered as the holder of the number of Shares of which the Holder would have been registered as holder if immediately prior to that date the Option had been exercised and the Shares the subject of such exercise had been duly allotted and issued. The Bonus Shares must be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in relation to the Bonus Issue and upon issue rank equally in all respects with the other shares of that class on issue at the date of issue of the Bonus Shares.

## Reorganisation of capital

17. In the event of a reorganisation (including a consolidation, subdivision, reduction or return) of the issued capital of the Company, the number of Options to which each Holder is entitled or the Exercise Price or both will be changed in the manner required by the Listing Rules and, in any case, in a manner which will not result in any benefits being conferred on holders of Options which are not conferred on Shareholders and the Company will have the power to alter the Exercise Price in such manner as may be required by the Listing Rules.

18. The Company must give notice to each Holder of any adjustment to the number of Shares for which the Holder is entitled to subscribe for or to the Exercise Price (if any) pursuant to the provisions of paragraph 17.

### **Restrictions**

19. A Holder must not without the prior written consent of the Company sell, transfer, mortgage, pledge, charge, grant security over or otherwise dispose of any Options, or agree to do any of those things.
20. An Offer may specify a restriction period for Shares issued on the exercise of Options during which such Shares may not be disposed of.

### **Conditions of exercise of Options**

21. Subject to any Exercise Conditions or other Forfeiture Conditions, Options may be exercised at any time during the period commencing on the Issue Date and ending on the Expiry Date.
22. Where any Exercise Conditions apply to any Options, those Options may only be exercised after the Exercise Conditions have been satisfied (or waived by the Company).
23. The period commencing on the Issue Date and expiring on the later of the Vesting Date and the date when the last of any Exercise Conditions or other Forfeiture Conditions is satisfied or waived by the Company is the "Restricted Period."
24. If a takeover bid is made to acquire the whole or any part of the issued Shares, or a scheme of arrangement, selective reduction or other transaction is initiated which has an effect similar to a full takeover bid of the issued Shares (**Bid**), and the Bid is accepted by the holder of at least 50% of the Shares on issue, then each Holder will be able to exercise all or any part of his or her Options, notwithstanding that the applicable Restricted Period has not expired and notwithstanding they any Exercise Conditions may not have been satisfied (or waived by the Company).

### **Section 200B of the Corporations Act**

25. If under these terms and conditions (including any terms of the Plan) any Options which were not previously exercisable would otherwise become immediately exercisable in circumstances which would involve a contravention of section 200B of the Corporations Act, then the number of Options to so become immediately exercisable will reduce to the number which can become immediately exercisable without such a contravention.

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## Schedule 3 – Terms of the Related Party Performance Rights

### General

- (a) Each offeree (or Nominee) is to be offered one million five hundred thousand Performance Rights in three different categories as follows:
- (i) 500,000 Performance Rights with a term of three years from the date of grant each of which will entitle the holder to a fully paid ordinary Share if the combined market capitalisation for all issued Shares in the Company exceeds AUD\$200 million for any five consecutive trading days during such three years calculated by reference to the price at which Shares are traded on the ASX;
  - (ii) 500,000 Performance Rights with a term of three years from the date of grant each of which will entitle the Holder to a fully paid ordinary Share if the combined market capitalisation for all issued Shares in the Company exceeds AUD\$300 million for any five consecutive trading days during such three years calculated by reference to the price at which Shares are traded on the ASX; and
  - (iii) 500,000 Performance Rights with a term of three years from the date of grant each of which will entitle the Holder to a fully paid ordinary Share if during such three years the total gold production to which the Company and its wholly owned subsidiaries are entitled exceeds in aggregate 40,000 ounces of gold over a six month period.
- (b) The above Performance Rights will expire at 5.00 pm Western Standard Time on the date three years after the date of grant (“Expiry Date”) (although the Performance Rights may lapse earlier than this date in accordance with the terms of the Plan).
- (c) Paul Cmlrec (or Nominee) is to be offered an additional one million five hundred thousand Performance Rights in three different categories as follows:
- (i) 500,000 Performance Rights with a term of two years from the date of grant each of which will entitle the holder to a fully paid ordinary Share if the combined market capitalisation for all issued Shares in the Company exceeds AUD\$150 million for any five consecutive trading days during such three years calculated by reference to the price at which Shares are traded on the ASX;
  - (ii) 500,000 Performance Rights with a term of two years from the date of grant each of which will entitle the Holder to a fully paid ordinary Share if the Company and its wholly owned subsidiaries achieves 50,000 ounces of gold production; and
  - (iii) 500,000 Performance Rights with a term of two years from the date of grant each of which will entitle the Holder to a fully paid ordinary Share if the Company and its wholly owned subsidiaries achieves 100,000 ounces of gold production.

- (d) The Performance Rights referred to in paragraph (c) above will expire at 5.00 pm Western Standard Time on the date two years after the date of grant ("Expiry Date") (although the Performance Rights may lapse earlier than this date in accordance with the terms of the Plan).

### **Exercise of Performance Rights**

1. Each Performance Right entitles the Holder to subscribe for one Share on exercise of the Performance Right. No moneys are payable to the Company on exercise of a Performance Right.
2. Subject to paragraph 5, a Holder may not exercise Performance Rights before expiry of the Restricted Period. The Vesting Date for each Performance Right is the date of grant of that Performance Right.
3. Subject to paragraph 5, a Holder may only exercise Performance Rights during the Exercise Period and then only if any, Exercise Conditions, Vesting Conditions or other Forfeiture Conditions have been satisfied or waived by the Company.
4. On expiry of the Exercise Period a Performance Right not exercised shall automatically lapse.
5. Notwithstanding paragraph 3 and paragraph 4 the Board may, in its absolute discretion, determine that Performance Rights may be exercised in any of the following circumstances:
  - (a) Following a takeover bid (as defined in section 9 of the Corporations Act) being made for the issued Shares in the Company; or
  - (b) Following a scheme of arrangement being proposed for the purposes of the Company merging with another company (such that the Company and the other company are proposed to become related body corporates of each other within the meaning of section 50 of the Corporations Act); or
  - (c) at any time after the announcement of a proposed capital reconstruction for the Company; or
  - (d) following the occurrence and announcement by the Company of an event that in the opinion of the Board is likely to lead to the Company being removed from the official list of ASX; or
  - (e) within 12 months, in the event of the death or Permanent Disablement of an Eligible Participant, in respect of Performance Rights held by that Eligible Participant or his or her nominee; or
  - (f) within 12 months, in the event of the cessation of an Eligible Participant's employment with a Group Company as a result of the Eligible Participant's position becoming redundant
6. If, in the reasonable opinion of the Board, an Eligible Participant acts fraudulently or dishonestly in any material respect or is in material breach of his or her obligations to any Group Company, then, notwithstanding any other provision in these Rules, the Board may deem any unexercised Performance Rights held by the Eligible Participant or his or her nominee to have lapsed.

## **Performance Rights Issued under the Company's Long Term Incentive Plan**

7. The Performance Rights are issued under, and are subject to, the Company's Long Term Incentive Plan as approved by the Company's shareholders on 25 November 2014 and as subsequently amended from time to time with the approval of the Company's shareholders ("the Plan"). Terms and expressions defined in the Plan will bear the same meaning in these terms and conditions, unless the context otherwise requires.

### **Notice of exercise**

8. Performance Rights may only be exercised by notice in writing to the Company which is signed by the Holder and delivered to the registered office of the Company. The notice must specify the number of Performance Rights being exercised and must be accompanied by:
  - (a) the Exercise Price (if any) for the number of Performance Rights specified in the notice; and
  - (b) the certificate or holding statement for those Performance Rights, for cancellation by the Company.
9. The notice only becomes effective when the Company has received the full amount of the Exercise Price (if any) for the number of Performance Rights specified in the notice in cleared funds.

### **Issue of certificates**

10. Subject to paragraphs 3 to 8 above, within 10 Business Days of the notice referred to in paragraph 8 above becoming effective, the Board must:
  - (a) acquire or allot and issue the number of Shares specified in the notice to the Holder;
  - (b) cancel the certificate or holding statement for the Performance Rights being exercised; and
  - (c) if applicable, issue a new certificate or holding statement for any remaining unexercised Performance Rights covered by the certificate or holding statement accompanying the notice.

### **Allotment of Shares**

11. All Shares allotted upon the exercise of Performance Rights will be credited as fully paid and will be of the same class and rank equally in all respects with other Shares, and, in particular, entitle their holders to participate fully in:
  - (a) dividends declared by the Company after the date of allotment; and
  - (b) all issues of securities offered to holders of Shares where entitlements to participate in those issues are determined by reference to a record date after the date of allotment of Shares allotted upon the exercise of Performance Rights.

## Quotation on ASX

12. If existing Shares are officially quoted by ASX, the Company must apply for official quotation by ASX of all Shares allotted pursuant to the exercise of Performance Rights not later than 10 Business Days after the date of allotment.
13. The Company will not apply to have the Performance Rights granted under the Plan quoted on ASX or any other stock exchange and the Performance Rights will not be quoted on ASX or any other stock Exchange.

## New issues

14. Holders will only be permitted to participate in a pro rata issue of Shares to the holders of Shares on the prior exercise of Performance Rights. The Company must notify the Holder of the proposed issue at least 7 Business Days before the record date to determine entitlements to the pro rata issue.

## Bonus issues

15. If from time to time prior to the expiry of any Performance Rights the Company makes an issue of any class of shares to the holders of Shares on a pro rata basis by way of capitalisation of profits or reserves (other than an issue in lieu of dividends) (a **Bonus Issue**) then upon exercise of a Performance Right, each Holder is entitled to have issued (in addition to the Shares which would otherwise be issued upon such exercise) the number of shares of the class which would have been issued to the Holder under the Bonus Issue (**Bonus Shares**) if on the date on which entitlements to participate in the Bonus Issue were calculated the Holder had been registered as the holder of the number of Shares of which the Holder would have been registered as holder if immediately prior to that date the Performance Right had been exercised and the Shares the subject of such exercise had been duly allotted and issued. The Bonus Shares must be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in relation to the Bonus Issue and upon issue rank equally in all respects with the other shares of that class on issue at the date of issue of the Bonus Shares.

## Reorganisation of capital

16. In the event of a reorganisation (including a consolidation, subdivision, reduction or return) of the issued capital of the Company, the number of Performance Rights to which each Holder is entitled or the Exercise Price (if any) or both will be changed in the manner required by the Listing Rules and, in any case, in a manner which will not result in any benefits being conferred on holders of Performance Rights which are not conferred on Shareholders.
17. The Company must give notice to each Holder of any adjustment to the number of Shares for which the Holder is entitled to subscribe for or to the Exercise Price (if any) pursuant to the provisions of paragraph 16.

## Restrictions

18. A Holder must not without the prior written consent of the Company sell, transfer, mortgage, pledge, charge, grant security over or otherwise dispose of any Performance Rights.
19. An Offer may specify a restriction period for Shares issued on the exercise of Performance Rights during which those Shares cannot be disposed of.

## **Section 200B of the Corporations Act**

20. If under these terms and conditions (including any terms of the Plan) any Performance Rights which were not previously exercisable would otherwise become immediately exercisable in circumstances which would involve a contravention of section 200B of the Corporations Act, then the number of Performance Rights to so become immediately exercisable will reduce to the number which can become immediately exercisable without such a contravention.

## **SCHEDULE 4 – Valuation (and methodology) for the Related Party Options and Performance Rights**

### **Options**

Using the Black-Scholes option model and based on the assumptions set out below, the Related Party Options were ascribed the following value:

Assumptions:	
Valuation date	5 October 2016
Market price of Shares	\$0.158
Exercise price	\$0.19 – First Tranche Options \$0.198 – Second Tranche Options
Expiry date (length of time from issue)	Three years
Risk free interest rate	1.58%
Volatility (discount)	65%
Indicative value per Related Party Option	\$0.061 – First Tranche Options \$0.059 – Second Tranche Options
Total Value of Related Party Options	\$602,952
Value of Options to be granted to Paul Cmrlec	\$306,073
Value of Options to be granted to Scott Huffadine	\$306,073

Note: The valuation noted above is not necessarily the market price that the Related Party Options could be traded at and is not automatically the market price for taxation purposes.



## Performance Rights

The Company has obtained independent advice to assist in its determination of the value of the Performance Rights to be issued. Details of the valuation methodology and assumptions used are provided:

Tranche and Applicable Performance Hurdle	Term (years)	Valuation Method	Valuation per Right
Performance rights exercisable when the Company achieves a \$200M market capitalisation for a period of five consecutive trading days.	3	Up and in single barrier share pricing model.	\$0.085
Performance rights exercisable when the Company achieves a \$300M market capitalisation for a period of five consecutive trading days.	3	Up and in single barrier share pricing model.	\$0.038
Performance rights exercisable when the Company achieves production of 40,000 ounces of gold over a six month period.	3	Binomial option pricing model.	\$0.160
Performance rights exercisable when the Company achieves production of 50,000 ounces of gold.	2	Binomial option pricing model.	\$0.160
Performance rights exercisable when the Company achieves production of 100,000 ounces of gold.	2	Binomial option pricing model.	\$0.160
Performance rights exercisable when the Company achieves a \$150M market capitalisation for a period of five consecutive trading days.	2	Up and in single barrier share pricing model.	\$0.115
<b>Valuation Assumptions:</b>			
Valuation date		5 October 2016	
Market price of Shares		\$0.158	
Risk free interest rate		1.58 %	
Volatility (discount)		65 %	
Total Value of Related Party Performance Rights		\$500,000	
Value of Performance Rights to be granted to Paul Cmrlec		\$359,000	
Value of Performance Rights to be granted to Scott Huffadine		\$141,500	

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## SCHEDULE 5 – Issue of Equity Securities Since 29 November 2015

Date	Quantity	Class	Recipients	Issue price and discount to market (if applicable) <sup>1</sup>	Form of Consideration and use of funds
08/02/16	2,250,000	Unlisted options <sup>2</sup>	Various employees.	Nil consideration	Non-cash consideration issued under the Company's Long Term Incentive Plan.
08/02/16	500,000	Unlisted performance rights <sup>3</sup>	Various employees.	Nil consideration	Non-cash consideration issued under the Company's Long Term Incentive Plan.
14/7/16	130,000,000	Shares <sup>4</sup>	Bulletin Resources Limited	Issued as consideration to acquire Bulletin Resources Limited's final 20% of the Halls Creek Project.	Issued as consideration to acquire Bulletin Resources Limited's final 20% of the Halls Creek Project.

### Notes

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the trading day prior to the date of issue of the relevant Equity Securities.
  2. Exercisable at \$0.10 on or before 30 January 2019.
  3. Exercisable for nil consideration on or before 30 January 2019 subject to performance hurdles.
  4. Fully paid ordinary shares in the capital of the Company, ASX Code: PNR (terms are set out in the Constitution).
-



**PANTORO**

**Pantoro Limited**  
ABN 30 003 207 467

PNR

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

### Lodge your vote:

**Online:**  
[www.investorvote.com.au](http://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](http://www.intermediaryonline.com)

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



## Proxy Form

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### Vote and view the annual report online

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.



### Your access information that you will need to vote:

**Control Number: 999999**

**SRN/HIN: I9999999999 PIN: 99999**

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

**For your vote to be effective it must be received by 11:30am (WST) Sunday, 27 November 2016**

### 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](http://www.investorcentre.com) under the help tab, "Printable Forms".

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

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

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

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



I 9999999999

IND

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of Pantoro 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 Pantoro Limited to be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia on Tuesday, 29 November 2016 at 11:30am (WST) and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1 and 5 - 8 (except where I/we have indicated a different voting intention below) even though Resolutions 1 and 5 - 8 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1 and 5 - 8 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.

		For	Against	Abstain
Resolution 1	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-Election of Director – Mr Scott Huffadine	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-Election of Director – Mr Michael Jefferies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Re-Election of Director – Mr Kyle Edwards	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of Amended Long Term Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Grant of Options and Performance Rights to Mr Paul Cmrlec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Grant of Options and Performance Rights to Mr Scott Huffadine	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Approval under Sections 200B and 200E of the Corporations Act – Other Members of the Key Management Personnel	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Approval of 10% Placement Facility - Listing Rule 7.1A	<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 / /