
AMEX RESOURCES LIMITED

ACN 089 826 237

NOTICE OF ANNUAL GENERAL MEETING

Incorporating Explanatory Statement and Proxy Form

Date: Monday, 16 November 2015

Time: 1 pm (WST)

Place: The Celtic Club, 48 Ord Street, West Perth, Western Australia

These documents should be read in their entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Amex Resources Limited ACN 089 826 237 (**Company**) will be held at the Celtic Club, 48 Ord Street, West Perth, Western Australia on Monday, 16 November 2015 at 1 pm (WST).

The Explanatory Statement which accompanies and forms part of this Notice of Meeting describes the various matters to be considered at the meeting and includes a glossary of defined terms.

AGENDA

Financial Statements and Reports

To receive and consider the financial report of the Company together with the reports of the Directors and Auditor for the year ended 30 June 2015.

1. Resolution 1 - Adoption of Remuneration Report

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

"That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2015 be adopted."

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

Voting prohibition statement

A vote on Resolution 1 must not be cast (in any capacity) by or on behalf of any of the following persons:

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

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

- the Voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the proposed resolution; or
- the Voter is the Chair of the meeting and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the resolution and expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company or, if the Company is part of a consolidated entity, for the entity.

2. Resolution 2 – Re-election of Director – The Hon Richard Alston

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

"That the Hon Richard Alston, who retires by rotation in accordance with Article 26.6 of the Company's Constitution and Listing Rule 14.4 and, being eligible, offers himself for re-election, be re-elected as a Director."

3. Resolution 3 – Ratification of prior placements of Options and Shares

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

(a) Ratification of prior placement of 2,000,000 Options to Mr Richard Petty

"That for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue and allotment of 2,000,000 Options each exercisable at \$0.80 and expiring

4 February 2019, to Mr Richard Petty as a financing facilitation fee on the terms and conditions set out in the Explanatory Statement.”

(b) Ratification of prior placement of 500,000 Shares to Financier

"That for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue and allotment of 500,000 Shares at an issue price of \$0.60 per Share, to a nominee of Shenzhen Taihongtong Investment Co Ltd, on the terms and conditions set out in the Explanatory Statement.”

ASX voting exclusion

The Company will disregard any votes cast under Resolutions 3(a) and 3(b) by any persons who participated in the placements, and any of their associates, unless the votes are cast:

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

4. Resolution 4 – Approval of Placement of up to 80,000,000 Shares

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

"That for the purpose of Listing Rule 7.1 and for all other purposes, approval is given for the issue and allotment of up to 80,000,000 Shares at an issue price of at least 80% of the volume weighted average market price for Shares calculated over the last 5 days on which sales in Shares were recorded on ASX before the day on which the issue was made, to sophisticated and professional investors and other investors to whom the placement may be made without a disclosure document, on the terms and conditions set out in the Explanatory Statement.”

ASX voting exclusion

The Company will disregard any votes cast under Resolution 4 by any person who may participate in the proposed placement and a person who might obtain a benefit, except a benefit solely in the capacity as holder of Shares, if the Resolution is passed and any of their associates unless the votes are cast:

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

5. Resolution 5 - Approval of 10% Placement Facility

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

"That for the purpose of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of 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.”

ASX voting exclusion

The Company will disregard any votes cast under Resolution 5 by any person who may participate in the proposed placement and a person who might obtain a benefit, except a benefit solely in the capacity as holder of Shares, if the Resolution is passed and any of their associates unless the votes are cast:

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

6. Resolution 6 – Approval of Issue of Director Options to Chairman

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

“That for the purposes of Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, approval is given for the issue and allotment by the Company of 2,000,000 Director Options to the Hon Richard Alston, the Chairman of the Company, (or his nominee) on the terms and conditions set out in Annexure B of, and for the purposes and as described in, the Explanatory Statement and the issue of Shares upon exercise of those Director Options from time to time.”

ASX voting exclusion

The Company will disregard any votes cast under Resolution 6 by the Hon Richard Alston (or his nominee) and any associate of the Hon Richard Alston unless the votes are cast:

- by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- 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 vote on Resolution 6 must not be cast by, or on behalf of, the Hon Richard Alston or any of his associates, unless:

- the vote is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on Resolution 6; and
- it is not cast on behalf of the Hon Richard Alston or any of his associates.

A person appointed as proxy must not vote on Resolution 6 if that person is either a member of the Key Management Personnel of the Company or a Closely Related Party of such a member and the proxy appointment does not specify the way the proxy is to vote on the resolution. However, this does not apply if:

- the person is the Chair of the meeting; and
- the proxy appointment expressly authorises the Chair to exercise the proxy even if the resolution is connected, directly or indirectly, with the remuneration of a member of the Key Management Personnel.

7. Resolution 7 – Approval of issue of 10,000,000 Shares and 10,000,000 New Financier Options to New Financier

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

“That for the purpose of Listing Rule 7.1 and for all other purposes, approval is given for the issue and allotment of 10,000,000 Shares at an issue price of \$0.41 per Share and 10,000,000 New Financier Options each exercisable at \$0.80 and expiring 3 years after the date of issue, to new financier Fortunate Era Investment Limited, or its nominee, on the terms and conditions set out in the Explanatory Statement.”

ASX voting exclusion

The Company will disregard any votes cast under Resolution 7 by any person who may participate in the proposed placement and a person who might obtain a benefit, except a benefit solely in the capacity as holder of Shares, if the Resolution is passed and any of their associates unless the votes are cast:

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

INFORMATION FOR SHAREHOLDERS

Voting in person

To vote in person at this Meeting, members should attend on the date and at the place fixed for the Meeting as set out above.

An individual attending the Meeting as corporate representative of a company which is a Shareholder must produce the appropriate "Certificate of Appointment of Corporate Representative" unless this has previously been lodged with the Company or its share registry. A form of this certificate may be obtained from the Company.

Voting by proxy

Members entitled to attend and vote at this Meeting are entitled to appoint an individual or a body corporate as their proxy to vote on their behalf. A proxy need not be a member of the Company. A member who is entitled to cast two or more votes at the meeting may appoint two proxies and may specify the proportion or number of votes each proxy may exercise.

The member may specify the manner in which the proxy is to vote on a particular resolution and if it does:

- (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way; and
- (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution - the proxy must not vote on a show of hands; and
- (c) if the proxy is the Chair - the proxy must vote on a poll, and must vote that way; and
- (d) if the proxy is not the Chair - the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.

If a proxy is also a member, the above does not affect the way that the person can cast any votes they hold as a member.

Lodgement of proxy forms

To be effective, the proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) must be received by the Company at least 48 hours before the time for holding the Meeting, or adjourned meeting as the case may be. The Company specifies the following information for the receipt of proxy appointments:

- **if posted:** 22 Emerald Terrace, West Perth, Western Australia 6005
- **if delivered:** the registered office of the Company at 22 Emerald Terrace, West Perth, Western Australia 6005
- **if sent by facsimile:** +61 8 9321 0320
- **if sent by email:** gary@amex.net.au

The proxy form must be completed in accordance with the instructions on the form and signed by the Shareholder or his/her attorney duly authorised in writing or, if the Shareholder is a body corporate, in a manner permitted by the Corporations Act. In the case of Shares jointly held by two or more persons, all joint holders must sign the proxy form.

Undirected proxies

If any member of the Key Management Personnel of the Company or a Closely Related Party of a member of the Key Management Personnel, other than the Chair, is your nominated proxy, you must direct the proxy how they are to vote on Resolutions 1 and 6. Undirected proxies granted to those persons will not be counted in any vote on those Resolutions.

If the Chair of the Meeting is appointed as your proxy, or may be appointed by default, and you have not specified the way the Chair is to vote on Resolutions 1 or 6, by signing and returning the Proxy Form you expressly authorise the Chair to exercise the proxy even though each of those Resolutions are connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

The Chair will vote all undirected proxies that he is entitled to vote in favour of all of the proposed Resolutions.

Voting entitlement

For the purposes of determining voting entitlements at the Meeting, and in accordance with Regulation 7.11.37 of the Corporations Regulations 2001 (Cth), the Directors have determined that Shares will be taken to be held by the persons who are registered as holding the Shares at 4.00pm (WST) on 14 November 2015. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

By order of the Board

A handwritten signature in black ink, appearing to read 'G. Dunlop', written in a cursive style.

Gary Dunlop
Company Secretary

29 September 2015

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in connection with the business to be conducted at the Annual General Meeting of Shareholders to be held at the Celtic Club, 48 Ord Street, West Perth, Western Australia on Monday, 16 November 2015 at 1 pm (WST).

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

Financial Statements and Reports

The Corporations Act requires the Directors of the Company to lay before each annual general meeting the financial report, Directors' report (including the Remuneration Report) and Auditor's report for the last financial year. These reports are included in the Annual Report of the Company for the year ended 30 June 2015 which is available on its website at www.amex.net.au.

Shareholders are not required to vote on these reports however Shareholders will be given a reasonable opportunity at the Meeting to comment on or to ask questions about the management of the Company. Shareholders will also be given a reasonable opportunity to ask the Auditor questions relevant to the content of the Auditor's report, the conduct of the audit, accounting policies adopted by the Company and the independence of the Auditor.

Written questions to the Company's Auditor about the content of the Auditor's report or the conduct of the audit may be submitted to the Company no later than the fifth business day before the date of the Meeting. Copies of written questions to the Company's Auditor will be available at the Meeting.

1. Resolution 1 – Adoption of Remuneration Report

1.1 Background

Under section 250R(2) of the Corporations Act, the Company must put to its shareholders at each annual general meeting a resolution adopting the report on the remuneration of the Company's directors, secretary and senior managers. The vote on this resolution is, however, advisory only and does not bind the Directors or the Company.

The Remuneration Report of the Company for the financial year ended 30 June 2015 is part of the Directors' report included in the Company's 2015 Annual Report.

Shareholders will be given a reasonable opportunity at the Meeting to comment on or to ask questions about the Remuneration Report.

1.2 Spill resolution

Under the Corporations Act, if at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the Remuneration Report at two consecutive annual general meetings, the Company will be required to put to the vote at the second of those meetings a resolution (*spill resolution*) proposing that another general meeting (the *spill meeting*) of members of the Company be held within 90 days. At that spill meeting, all the Directors who were directors of the Company when the resolution to make the Directors' report considered at the second annual general meeting was passed, other than the Managing Director, cease to hold office immediately before the end of the spill meeting but may stand for re-election.

A spill resolution will not be required at this Meeting as the votes against the Remuneration Report at the Company's previous annual general meeting were less than 25%.

1.3 Voting restrictions

The Corporations Act sets out restrictions on voting on a remuneration report resolution by any member of the Key Management Personnel of the Company, or a Closely Related Party of that member. If you appoint any such person as your proxy, please follow the instructions

in the Information for Shareholders section of the Notice to ensure that your vote is counted on Resolution 1.

2. Resolution 2 – Re-election of Director

2.1 Background

Resolution 2 refers to Rule 26.6 of the Company's Constitution. Under that Rule, one third of the Directors (other than the Managing Director and rounded down to the nearest whole number) must retire by rotation at each annual general meeting provided that no Director (except one managing director) may retain office for more than three years.

The Director or Directors who must retire under Rule 26.6 are those who have been longest in office since their last election but, as between persons who have been in office for an equal amount of time, those to retire must be determined by the Chairman, unless otherwise agreed among themselves. The Hon Richard Alston is one of two Directors who have been longest in office since their last election and it has been agreed that he will retire by rotation at the Meeting. He is eligible for re-election.

Hon Richard Alston

Non-executive chairman

The Hon Richard Alston is a member of the global advisory board of London based hedge fund CQS LLP, a director of CQS Investment Management (Australia) Pty Ltd, Nanuk Asset Management Pty Ltd and Balmoral Gardens Pty Ltd. Since 2004 he has been an Adjunct Professor in the Business School at Bond University, Queensland. His previous corporate positions have included non-executive chairman and director of a number of listed public and private companies both in Australia and overseas.

From 2005 to 2008 he was Australian High Commissioner (Ambassador) to the United Kingdom and a Commissioner of the Commonwealth War Graves Commission. From March 1996 to October 2003 he served as Minister for Communications, Information Technology and the Arts in the Australian Federal Parliament.

Prior to entering Parliament, he practised as a barrister, with extensive experience in common law, commercial and administrative law. He holds Masters Degrees in Law and Business Administration from Monash University and Bachelor degrees in Law, Arts and Commerce from Melbourne University.

2.2 Directors' recommendation

The Directors, with the Hon Richard Alston abstaining, unanimously recommend that Shareholders vote in favour of Resolution 2.

3. Resolution 3 – Ratification of prior placements of Options and Shares

3.1 Background

As previously announced to the market, in January this year the Company terminated the fixed price US\$100m FIDIC design, procurement and construction contract with MCC Overseas Limited (*MCCO*) for development of its Mba Delta Ironsands Project in Fiji (*Contract*), after MCCO repeatedly failed to provide a firm commitment to honour its funding obligations and commence the works under the Contract.

The Company issued MCCO with a notice of dispute and a claim for loss and damages and commenced a Dispute Adjudication Board (*DAB*) process pursuant to the Contract. On 24 August 2015, the DAB by majority made a decision in favour of the Company.

Due to the resulting delay, the Company found it necessary to reorganise its financing arrangements. Included in this reorganisation was a renegotiation with the existing Financier, Shenzen Taihongtong Investment Co Ltd, to delay a facility term and the acceptance of a US\$6m unsecured short term loan facility from another lender.

The Company issued 2,000,000 Options to the party who facilitated the offer of the US\$6m

unsecured short term loan facility. The Options were issued on 4 February 2015 and Shareholder ratification of this issue pursuant to Listing Rule 7.4 is being sought under Resolution 3(a).

The Company agreed to issue 500,000 Shares to the existing Financier for the accommodation it provided. The 500,000 Shares were issued on 25 March 2015 and Shareholder ratification of this issue pursuant to Listing Rule 7.4 is being sought under Resolution 3(b).

No funds were raised pursuant to the issue of these Shares and Options as they were issued for no consideration pursuant to the terms of financing arrangements. The offers did not require the issue of a disclosure document. Further details are included in the 2015 Statutory Financial Accounts of the Company lodged with ASX on 12 August 2015.

3.2 Notice requirements of the Listing Rules

Subject to certain exemptions (none of which are relevant here), Listing Rule 7.1 restricts a listed company from issuing or agreeing to issue equity securities in any 12 month period which amount to more than 15% of the Company's ordinary securities on issue, without shareholder approval.

Listing Rule 7.4 enables a company to restore its ability to issue securities within the 15% annual limit prescribed by Listing Rule 7.1 by obtaining shareholder ratification of an issue previously made within that limit. The issue of Options and Shares the subject of Resolutions 3(a) and 3(b) were made within that 15% limit during the last 12 months and accordingly issued without Shareholder approval. The Company now wishes to take the opportunity to ratify those placements under Listing Rule 7.4 and restore the Company's ability to issue securities within the 15% limit to the extent of the number of securities referred to in Resolutions 3(a) and 3(b).

Issue of Options under Resolution 3(a)

As required by Listing Rule 7.5, the following information is provided to Shareholders to allow them to assess the issue of Options under Resolution 3(a):

- (a) A total of 2,000,000 Options were issued.
- (b) The Options were issued for no consideration but are exercisable at \$0.80 each.
- (c) The terms and conditions of the Options are set out in **Annexure A** to this Explanatory Statement.
- (d) The Options were allotted to Mr Richard Petty, a loan facilitator who is not a related party of the Company.
- (e) No funds were raised as the 2,000,000 Options were issued for no consideration for the facilitation of an unsecured US\$6m short term loan facility.

Issue of Shares to Financier under Resolution 3(b)

As required by Listing Rule 7.5, the following information is provided to Shareholders to allow them to assess the issue of Shares under Resolution 3(b):

- (a) A total of 500,000 Shares were issued.
- (b) The Shares were issued at a price of \$0.60 per Share.
- (c) The Shares rank pari passu in all respects from date of issue with, and enjoy the same rights as, the existing fully paid ordinary Shares of the Company.
- (d) The Shares were allotted to the Financier's nominee, Perfect Done Limited, a company based in the British Virgin Islands, which is not a related party of the Company.
- (e) No funds were raised as the 500,000 Shares were issued for no consideration pursuant to the terms of financing arrangements.

3.3 Directors' recommendation

To enable the Company to reorganise its financing arrangements as described in **section 3.1** above, all of the Directors are of the view that the issue of the Options to Mr Petty and the Shares to the Financier is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of each of Resolutions 3(a) and 3(b).

4. Resolution 4 – Approval of Placement of up to 80,000,000 Shares

4.1 Background

As described in **section 3.1** above, the Company has experienced delays to the development of its Project in Fiji as a result of the principal contractor failing to perform under the Contract and the resulting termination of that Contract by the Company. The terminated Contract included a funding component comprising a facility of US\$80m which the Company has now replaced by the loan and underwriting facility described in **section 7.1** below. The Company seeks shareholder approval to issue up to 80,000,000 Placement Shares to assist the Board in negotiating replacement funding, repaying existing debt and for the other purposes listed below. Although Shareholders approved a placement to assist with the capital costs of the Project at the annual general meeting on 27 November 2014, only 3,694,805 Shares were placed prior to expiry of that approval. It is intended that the Placement Shares will be allotted to sophisticated investors, professional investors and other investors to whom the issue may be made without a disclosure document, subject to Shareholder approval being given under Resolution 4 for the purpose of Listing Rule 7.1.

The funds raised by the issue of the Placement Shares will be used for any or all of the following:

- assisting in negotiating replacement funding and repaying debt;
- funding navigation channel dredging and transit base construction;
- management and administration expenses associated with new marine and port design, procurement and construction contract(s);
- funding part of the marine fleet purchases;
- funding ongoing exploration; and
- working capital purposes.

4.2 Notice requirements of the Listing Rules

Subject to certain exemptions, Listing Rule 7.1 restricts a listed company from issuing or agreeing to issue equity securities in any 12 month period which amount to more than 15% of the Company's ordinary securities on issue, without shareholder approval. However, issues of ordinary securities made with the prior approval of the shareholders in a general meeting are not subject to this restriction and will not be counted as part of the 15% limit. Accordingly, if Shareholders of the Company pass Resolution 4, the Shares issued under the Placement will not be counted towards the 15% limit under Listing Rule 7.1 in respect of issues of equity securities in the following 12 month period.

As required by Listing Rule 7.3, the following information is provided to Shareholders to allow them to assess the Placement:

- (a) The maximum number of securities to be issued pursuant to Resolution 4 is 80,000,000 Shares. The total number of ordinary securities issued by the Company as at the date of this Notice is 95,820,857 Shares. If Resolution 4 is approved and all of the 80,000,000 Shares are issued the result will be that, prior to the exercise of any Options or the grant of any other Shares, the number of ordinary securities issued by the Company will increase to 175,820,857 Shares, being a percentage increase of 83.5%.
- (b) The Placement Shares will be issued and allotted progressively over the period of 3 months after the date of the Meeting, or such longer period as approved by ASX.

- (c) The issue price of the Placement Shares will be at least 80% of the volume weighted average market price for Shares calculated over the last 5 days on which sales in Shares were recorded on ASX before the day on which the issue was made.
- (d) The Placement Shares will be allotted to sophisticated investors, professional investors and/or other investors to whom the issue may be made without a disclosure document. The identity of these investors is not known at this stage however none will be related parties of the Company.
- (e) The Placement Shares will rank pari passu in all respects from date of issue with the existing issued Shares of the Company.
- (f) It is intended that the funds raised pursuant to the issue of the Placement Shares will be used for the purposes described in **section 4.1** above.

4.3 Directors' recommendation

To enable the Company to fund the expenses referred to in **section 4.1** above, all of the Directors are of the view that the Placement is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of Resolution 4.

5. Resolution 5 – Approval of 10% Placement Facility

5.1 Background

Under Listing Rule 7.1A, an Eligible Entity may seek approval of shareholders by special resolution passed at an annual general meeting to have the additional capacity to issue Equity Securities up to 10% of its issued share capital in placements over the 12 months following the annual general meeting (*10% Placement Facility*).

The 10% Placement Facility is in addition to the 15% placement facility under Listing Rule 7.1.

The Company is an Eligible Entity for the purposes of Listing Rule 7.1A as it is not included in the S&P/ASX300 Index and has a market capitalisation of less than \$300m. The market capitalisation of the Company as at the date of this Notice is \$39,286,551, being the number of Shares on issue (95,820,857) multiplied by the share price (\$0.41) as at that date.

Resolution 5 seeks Shareholder approval for the Company to have the additional capacity to issue Equity Securities under the 10% Placement Facility. Approval is by way of a special resolution which means that at least 75% of the votes cast by Shareholders present and eligible to vote at the Meeting must be cast in favour of Resolution 5 for it to be passed.

5.2 Listing Rule 7.1A

The other key elements of Listing Rule 7.1A are described below:

- (a) **10% Placement Period:** Under Listing Rule 7.1A.1, approval of Shareholders of the 10% Placement Facility is valid for the period commencing on the date of the Meeting and expiring on the first to occur of the following:
 - (1) the date which is 12 months after the date of the Meeting; or
 - (2) the date of approval by Shareholders of a transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of the Company's activities) or Listing Rule 11.2 (disposal of the Company's main undertaking),
 (being the *10% Placement Period*).
- (b) **Number of Equity Securities that may be issued under the 10% Placement Facility:** Under Listing Rule 7.1A.2, the number of Equity Securities that the Company may issue under the 10% Placement Facility is calculated in accordance with the following formula:

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

- A is the number of Shares on issue 12 months before the date of issue or agreement,
 - plus the number of Shares issued in the previous 12 months under an exception in Listing Rule 7.2;
 - plus the number of partly paid Shares that became fully paid in the previous 12 months;
 - plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rule 7.1 or Listing Rule 7.4; and
 - 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 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 Shareholders under Listing Rule 7.1 or Listing Rule 7.4.
- (c) **Class of Equity Securities:** Under Listing Rule 7.1A.3, Equity Securities issued under the 10% Placement Facility must be in an existing quoted class of the Company's Equity Securities. The Company currently has on issue only one class of quoted Equity Securities, being the Shares.

5.3 Notice requirements of the Listing Rules

As required by Listing Rule 7.3A, the following information is provided to Shareholders to allow them to assess the 10% Placement Facility:

- (a) **Minimum price:** The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average market price of Equity Securities in that class calculated over the last 15 trading days on which trades in Equity Securities in that class were recorded immediately before:
 - (1) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (2) if the Equity Securities are not issued within 5 trading days of the date in paragraph (1) above, the date on which the Equity Securities are issued.
- (b) **Dilution risk:** Any issue of Equity Securities under the 10% Placement Facility will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 5 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Facility, the potential economic and voting dilution of the issue on existing Shares is illustrated in the table below.

The table below shows:

- (1) the dilution of existing Shareholders calculated in accordance with the formula in 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;
- (2) two examples of the voting dilution impact where the number of Shares on issue (Variable A in the formula) increases by 50% and by 100%. This could happen 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; and
- (3) two examples of the economic dilution impact where the issue price of Shares has decreased by 50% and increased by 50% as against the current market price.

Number of Shares on issue (Variable A in Listing Rule 7.1A.2)		Dilution		
		\$0.205 50% decrease in issue price	\$0.41 Issue price	\$0.615 50% increase in issue price
95,820,857 Shares (Current)	10% voting dilution	9,582,086	9,582,086	9,582,086
	Funds raised	\$1,964,328	\$3,928,655	\$5,892,983
143,731,286 Shares (50% increase)	10% voting dilution	14,373,129	14,373,129	14,373,129
	Funds raised	\$2,946,491	\$5,892,983	\$8,839,474
191,641,714 Shares (100% increase)	10% voting dilution	19,164,171	19,164,171	19,164,171
	Funds raised	\$3,928,655	\$7,857,310	\$11,785,965

The table above has been prepared using the following assumptions:

1. The Company issues the maximum possible number of Equity Securities under the 10% Placement Facility.
2. The current Shares on issue are the Shares on issue as at 28 September 2015.
3. The issue price set out above is the closing price of the Shares on ASX on 28 September 2015.
4. No Options are exercised before the date of the issue of Equity Securities under the 10% Placement Facility.
5. The table does not set out any dilution pursuant to issues of securities under Listing Rule 7.1.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes options, it is assumed that the options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.

Shareholders should also be aware that there is a risk that:

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

which may have an effect on the amount of funds raised by the issue of Equity Securities under the 10% Placement Facility.

- (c) **Date of issue:** The Company will only issue and allot the Equity Securities during the 10% Placement Period. Approval of the 10% Placement Facility under Resolution 5 will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of the Company's activities) or Listing Rule 11.2 (disposal of the Company's main undertaking).
- (d) **Purpose:** The Company may issue Equity Securities under the 10% Placement Facility for the following purposes:

- (1) as non cash consideration for the acquisition of new resource assets and investments, in which case the Company will provide a valuation of the non cash consideration as required under the note to Listing Rule 7.1A.3; or
 - (2) as cash consideration, in which case the Company intends to use the funds raised from the issue for construction and development costs of the Mba Delta Ironsands Project, the acquisition of new resource assets and investments, continued exploration expenditure, debt repayment and general working capital needs.
- (e) **Allocation Policy:** The allottees of the Equity Securities to be issued under the 10% Placement Facility have not yet been determined as at the date of the Notice. However, they could include current Shareholders or new investors (or both), who are not related parties of the Company.

The Company will determine the allottees at the time of the issue under the 10% Placement Facility, having regard to factors which include the following:

- (1) the purpose for which the issue is made;
 - (2) other methods of fund raising available to the Company at the time;
 - (3) the effect of the issue on the control of the Company;
 - (4) the circumstances of the Company including its financial position and solvency; and
 - (5) advice from corporate and financial advisers (if applicable).
- (f) **Prior approvals under Listing Rule 7.1A:** The Company previously obtained the approval of Shareholders under Listing Rule 7.1A at the last annual general meeting held on 27 November 2014.

In the 12 months preceding the date of this Meeting, the Company issued a total of 3,480,000 Shares and 2,000,000 Options which represented 3.9% of the total number of Equity Securities on issue at the date of commencement of that 12 month period. Details of all issues of Equity Securities by the Company during the 12 months preceding the date of this Meeting are set out in the following table. The Equity Securities issued comprised Shares, issued on the same terms as the other quoted Shares in the Company, and Options, issued on the terms set out in **Annexure A**.

Date of issue	Equity Securities issued	Name of allottee	Issue price	Discount to market price	Total cash consideration	Amount spent
04.02.15	100,000 Shares	IMCOA Pty Ltd	\$0.30	\$0.35	\$30,000	\$30,000
04.02.15	1,000,000 Shares	Perfect Done Limited	\$0.60	\$0.05	Nil	Nil
04.02.15	2,000,000 Options	Richard Michael Petty	Nil (exercise price \$0.80)	N/A – no market in unlisted Company options	Nil – financing facilitation fee (for ratification under Resolution 3(a))	N/A
04.03.15	25,000 Shares	Tisan Industries	\$0.30	\$0.30	\$7,500	\$7,500
25.03.15	500,000 Shares	Perfect Done Limited	\$0.60	Nil	Nil – consideration for short term loan accommodation	N/A

					(for ratification under Resolution 3(b))	
28.04.15	300,000 Shares	Triple T Law Courts	\$0.30	\$0.17	\$90,000	\$90,000
09.06.15	80,000 Shares	IMCOA Pty Ltd	\$0.30	\$0.15	\$24,000	\$24,000
09.06.15	400,000 Shares	Triple T Law Courts	\$0.30	\$0.15	\$120,000	\$120,000
09.06.15	75,000 Shares	Iana Pty Ltd	\$0.30	\$0.15	\$22,500	\$22,500
09.06.15	40,000 Shares	Tisan Super Fund	\$0.30	\$0.15	\$12,000	\$12,000
09.06.15	10,000 Shares	Tisan Industries	\$0.30	\$0.15	\$3,000	\$3,000
09.06.15	950,000 Shares	K Zhang	\$0.30	\$0.15	\$285,000	\$285,000

The Company's cash balance on 16 November 2014 was approximately \$769,563. The total cash consideration raised from issues in the preceding 12 months is \$594,000, all of which has been spent on working capital.

- (g) **Voting exclusion statement:** A voting exclusion statement is included in the Notice. At the date of the Notice it is not known who will participate in the 10% Placement Facility. No existing Shareholder's vote will therefore be excluded under the voting exclusion applicable to this Resolution.

5.4 Directors' recommendation

To enable the Company to fund the purposes referred to above, all of the Directors are of the view that the 10% Placement Facility is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of Resolution 5.

6. Resolution 6 – Approval of Issue of Director Options to Chairman

6.1 Background

Resolution 6 seeks Shareholder approval to issue a total of 2,000,000 unlisted Director Options to non-executive Chairman the Hon Richard Alston (or his nominee).

The issue of the Director Options is designed to act as an incentive for future performance for the Hon Richard Alston, who was appointed a Director and Non-Executive Chairman on 5 August 2014. The Director Options to be issued are in addition to the remuneration payable to him by the Company. The Board acknowledges that the grant of the Director Options may be contrary to Recommendation 8.3 of the ASX Principles of Good Corporate Governance and Best Practice. However the Board considers the grant of the Director Options to be reasonable in the circumstances as it allows the Hon Richard Alston to be rewarded for the additional duties performed by him (and for which he is not otherwise remunerated) in a way which aligns his interests with the interests of Shareholders while preserving the cash reserves of the Company at this stage of its development.

Details of the remuneration received by the Hon Richard Alston are set out in **section 6.2(e)** below.

Details of the Director Options to be issued to the Hon Richard Alston upon Resolution 6 being passed are as follows:

Number of Director Options	Exercise Price	Expiry Date (1)	Valuation (2)
2,000,000	\$0.80	5pm WST on the date which is 4 years from the date of grant of the Director Options	\$308,400

- (1) Example: if the options are granted on 16 November 2015 the expiry date would be 5pm WST on 15 November 2019
- (2) For a detailed explanation of the exercise price used and the valuation appearing in this table, refer to **sections 6.2(b) and 6.4** of this Explanatory Statement.

A summary of the terms of issue of the Director Options is set out in **Annexure B**.

The Shares to be issued to the Hon Richard Alston on exercise of the Director Options issued to him will rank equally with and enjoy the same rights as all other Shares on issue. The Company does not intend to apply to ASX for official quotation of the Director Options. The value of the Director Options issued to the Hon Richard Alston and an explanation of the valuation method used by the Company are set out in **section 6.4**.

In order for the Director Options to be issued to the Hon Richard Alston, Shareholder approval is required in accordance with Chapter 2E of the Corporations Act and Listing Rule 10.11. If Shareholder approval is obtained under Listing Rule 10.11, a separate Shareholder approval is not required under Listing Rule 7.1.

6.2 Chapter 2E of the Corporations Act

Section 208 of Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a related party of the Company without prior shareholder approval (unless the giving of the financial benefit falls within one of the nominated exceptions, none of which are relevant here).

A Director is a related party of the Company for the purposes of the Corporations Act. The Directors consider that the issuing of securities to a related party (or nominee) as contemplated by Resolution 6 constitutes the giving of a financial benefit to a related party for the purpose of Chapter 2E of the Corporations Act and therefore requires prior Shareholder approval.

The following information is provided to Shareholders in accordance with the requirements of Chapter 2E of the Corporations Act, and in particular section 219, to enable them to assess the merits of the proposed issue of Director Options under Resolution 6:

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

The Hon Richard Alston, who is a related party by reason of being a Director and non-executive Chairman of the Company.

(b) **The nature of the financial benefits**

The grant of 2,000,000 Director Options to the Hon Richard Alston or his nominee.

There is no consideration payable for the grant of these Director Options. The Director Options to be issued are exercisable at \$0.80 each on or before 5pm (WST) on the date which is four years from the date of grant and will otherwise be granted on the terms of issue set out in **Annexure B**.

The number of Director Options (being 2,000,000 Options) was chosen by the Board (excluding the Hon Richard Alston) as an appropriate number to retain a director of the Hon Richard Alston's skills and experience, to form part of a reasonable remuneration package and to provide a realistic and meaningful incentive to the Director.

The option exercise price of \$0.80 was chosen by the Board (excluding the Hon Richard Alston) as a dollar amount which is approximately \$0.40 to \$0.42 higher than the Company's recent trading range prior to the date of this Notice of about \$0.38 to \$0.41.

It was regarded as a reasonable premium about this trading range to provide a realistic and meaningful incentive to the Director.

(c) **Directors' recommendation**

The Hon Richard Alston declines to make a recommendation to Shareholders in regard to Resolution 6 as he has a material interest in the outcome of the Resolution to the extent that the Resolution provides for the issue of Director Options to him.

Each of the other Directors recommends Shareholders vote in favour of Resolution 6. The reasons for their recommendation are set out above, namely the grant of the Director Options allows the Hon Richard Alston to be rewarded for the additional duties performed by him (and for which he is not otherwise remunerated) in a way which aligns the interest of each Director with the interests of Shareholders while preserving the cash reserves of the Company at this stage of its development.

(d) **Directors' interests in outcome of proposed resolution**

The Hon Richard Alston's interests in the outcome of Resolution 6 are set out above and elsewhere in this Explanatory Statement.

The Directors (other than the Hon Richard Alston) do not have an interest in the outcome of Resolution 6.

(e) **All other information that is reasonably required by members in order to decide whether or not it is in the Company's interests to pass the proposed resolution and that is known to the Company or any of its Directors**

Director's remuneration

The total remuneration package of the Hon Richard Alston for the financial year ended 30 June 2015 is as follows:

Director's fees	Consultancy fees	Superannuation	Total (1)
\$100,000	Nil	\$9,500	\$109,500

(1) The dollar amounts in the table above do not include GST. GST is not payable on the director's fees or the superannuation contributions.

Director's interests in securities of the Company

The Hon Richard Alston does not currently hold any securities of the Company.

The following table sets out the securities in the Company in which the Hon Richard Alston will hold an interest, and the resulting percentage holding of voting Shares which he will hold, if the maximum number of Director Options are allotted to him under Resolution 6 and those Director Options are all exercised (assuming no other Options are exercised):

No. of Shares	No of Director Options	No. of Shares (post-exercise of all Director Options)	% of issued Shares (post-exercise of Director Options)
Nil	2,000,000	2,000,000	2.04%

The market price for Shares during the term of the Director Options would normally determine whether or not the Hon Richard Alston would exercise his Director Options. If, at the time any of the Director Options are exercised, the Shares are trading on ASX at a price that is higher than the exercise price of the Director Options, there may be a perceived cost to the Company.

Effect of exercise of Director Options on Shareholders

If Shareholders approve the issue of Director Options to the Hon Richard Alston

pursuant to Resolution 6 and all of these Director Options are exercised, the effect will be to increase the number of Shares on issue from 95,820,857 to 97,820,857 and dilute the shareholding of existing Shareholders by approximately 1.02% in total (assuming no other Shares in the Company are issued prior to exercise of the Director Options and no other Options are exercised).

Share price

The highest and lowest recorded sale price and last recorded closing price of Shares on ASX in the 12 months prior to the date of this Notice has been as follows:

Highest	\$0.93 on 3 November 2014
Lowest	\$0.35 on 23 June 2015
Last recorded	\$0.41 on 28 September 2015

Other information

Other than the information set out in this Explanatory Statement, the Company considers that there is no other information known to the Company or any of its Directors that is reasonably required by Shareholders in order to decide whether or not it is in the interests of the Company to pass Resolution 6. In particular, and unless otherwise mentioned in this Explanatory Statement, there are no:

- (i) opportunity costs;
- (ii) taxation consequences (such as liability for fringe benefits tax); or
- (iii) benefits foregone by the Company,

resulting from the giving by the Company of the benefits the subject of Resolution 6 as the Board believes that the grant of the Director Options provides cost effective consideration to the Hon Richard Alston for his ongoing commitment and contribution to the Company.

6.3 Listing Rule 10.11

Listing Rule 10.11 provides that a company must not issue equity securities (including options to subscribe for shares) to a related party of a company, such as a director, without the company obtaining the approval by ordinary resolution of its Shareholders. Accordingly the Company is seeking the approval of the Shareholders under Listing Rule 10.11 to allow the Company to issue the Director Options to Director the Hon Richard Alston. If Shareholders approve the issue of the Director Options under Listing Rule 10.11, approval is not required under Listing Rule 7.1 in relation to the 15% restriction in Listing Rule 7.1.

Listing Rule 10.13 requires that the following information is provided to Shareholders to allow them to assess the proposed issue of Director Options under Resolution 6:

- (a) the Director Options to be issued by the Company under Resolution 6 will be issued to Director the Hon Richard Alston (or his nominee);
- (b) the maximum number of Director Options to be issued by the Company under Resolution 6 is 2,000,000. If all of these Director Options are exercised, the Hon Richard Alston will be entitled to be issued 2,000,000 Shares;
- (c) the Director Options will be issued to the Hon Richard Alston as soon as possible after the Resolution is passed but, in any case, not later than 1 month after the date of the Meeting;
- (d) the Director Options will be granted for nil consideration, will have an exercise price for each Director Option of \$0.80 and will be issued on the terms set out in **Annexure B**; and
- (e) as the Director Options will be issued for nil consideration, no funds will be raised by the issue. If all of the Director Options are exercised, the sum of \$1,600,000 will be

received by the Company. However, there is no guarantee that all Director Options will be exercised. Any money raised as a result of the exercise of any Director Options is intended to be used by the Company for general working capital purposes.

6.4 Valuation

It is an ASIC requirement that a dollar value is placed on the Director Options to be issued to the Hon Richard Alston. The Black-Scholes option pricing model is generally regarded as acceptable as a valuation model which is designed to value ASX quoted securities that are freely tradeable on ASX. While the Director Options proposed to be granted will not be granted official quotation for trading on ASX, in establishing a valuation for present purposes a discount has not been included notwithstanding the unquoted status of the Director Options.

In determining the value of the Director Options, the Company is required to disclose the following assumptions that have been made:

- (a) a Share price of \$0.41 is used, based on the Share price of the Company on 28 September 2015;
- (b) the exercise price of the Director Options to be issued to the Hon Richard Alston is \$0.80;
- (c) price volatility of the Company's Shares is approximately 70%;
- (d) the average current risk free interest rate is 2.25%; and
- (e) all Director Options will be exercised immediately prior to their expiry date (being 5pm (WST) on the date which is 4 years after date of issue).

Based on these assumptions, and using the Black-Scholes option pricing model, the Company estimates that the Director Options to be issued to the Hon Richard Alston are valued at approximately \$0.1542 each. The amount of the financial benefit to be given to the Hon Richard Alston is as set out in **section 6.1** above.

However, as at the date of issue of the Director Options and the date of issue of the Shares issued on exercise of those Director Options, the trading price of Shares on ASX may have gone up or down which would increase or reduce the amount of the financial benefit respectively.

6.5 Directors' recommendation

For the reasons set out in **section 6.2(c) above**, the Hon Richard Alston declines to make a recommendation to Shareholders in relation to Resolution 6 and each of the other Directors recommends that Shareholders vote in favour of the Resolution.

7. Resolution 7 – Approval of issue of 10,000,000 Shares and 10,000,000 New Financier Options to New Financier

7.1 Background

The Company disclosed to the market on 24 September 2015 that it had entered into a new US\$80m funding agreement with the New Financier. As described in **section 4.1** above, this replaces the loan facility of US\$80m which was to be provided by the previous contractor under the Contract. The terms of the new funding agreement are set out in that disclosure and include a US\$30m loan and a US\$50m underwriting facility. As part consideration for the provision of the funding, the Company has agreed to issue to the New Financier or its nominee 10,000,000 Shares and 10,000,000 New Financier Options. The New Financier is an offshore entity and an unrelated party and is an investor to whom the issue may be made without a disclosure document.

The funding provided by the new loan facility will be used for any or all of the purposes described in **section 4.1**.

7.2 Notice requirements of the Listing Rules

The effect of Listing Rule 7.1 is described in **section 4.1**. If Shareholders of the Company pass Resolution 7, the Shares and New Financier Options issued to the New Financier will not be counted towards the 15% limit under Listing Rule 7.1 in respect of issues of equity securities in the following 12 month period.

As required by Listing Rule 7.3, the following information is provided to Shareholders to allow them to assess the issue of the Shares and New Financier Options to the New Financier under Resolution 7:

- (a) The maximum number of securities to be issued pursuant to Resolution 7 is 10,000,000 Shares and 10,000,000 New Financier Options. The total number of ordinary securities issued by the Company as at the date of this Notice is 95,820,857 Shares. If Resolution 7 is approved and all of the 10,000,000 Shares and 10,000,000 New Financier Options are issued, the result will be that, prior to the exercise of any other options or issue of any other Shares, the number of ordinary securities issued by the Company will increase to 105,820,857 Shares, being a percentage increase of 10%.
- (b) The Shares will be issued and allotted on the next day following the date of the Meeting at which Shareholders approve Resolution 7.
- (c) The Shares will be issued at a price of \$0.41 per Share. The New Financier Options will be issued for no consideration but are exercisable at \$0.80 each.
- (d) The Shares and New Financier Options will be allotted to the New Financier, or its nominee, not being a related party of the Company.
- (e) The Shares will rank *pari passu* in all respects from date of issue with the existing issued Shares of the Company. The terms and conditions of the New Financier Options are set out in **Annexure C** to this Explanatory Statement.
- (f) No funds will be raised as the Shares and New Financier Options will be issued for no consideration pursuant to the terms of the funding arrangements described in **section 7.1** above.

7.3 Directors' recommendation

To enable the Company to obtain the replacement funding referred to in **section 7.1** above, all of the Directors are of the view that the issue of the Shares and New Financier Options to the New Financier is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of Resolution 7.

8. Enquiries

Shareholders are requested to contact the Company Secretary, Gary Dunlop, on +61 8 9480 0455 if they have any queries in respect of the matters set out in these documents.

9. Glossary of Terms

In this Notice and Explanatory Statement the following words and expressions have the following meanings:

ASX means ASX Limited ABN 98 008 624 691.

Auditor means the auditor of the Company.

Board means the board of Directors of the Company.

Chair means the chair of the meeting.

Closely Related Party has the meaning given to it in section 9 of the Corporations Act.

Company means Amex Resources Limited ACN 089 826 237.

Constitution means the constitution of the Company.

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

Director means a director of the Company from time to time.

Director Options means the Options to be issued to the Hon Richard Alston under Resolution 6.

Dollars, A\$ and \$ means the lawful currency of the Commonwealth of Australia.

Eligible Entity means an entity which, as at the date of the relevant special resolution under Listing Rule 7.1A:

- (a) is not included in the S&P/ASX300 Index; and
- (b) has a market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) equal to or less than \$300m.

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

Explanatory Statement means this explanatory statement which forms part of the Notice.

Financier means Shenzhen Taihongtong Investment Co Ltd of Level 21, Huajia Plaza, Hubei Road, Luohu District, Shenzhen 518038, Peoples Republic of China.

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company. The Key Management Personnel for the financial year ended 30 June 2015 are identified in the Remuneration Report.

Listing Rules means the official listing rules of ASX.

Meeting and **Annual General Meeting** means the annual general meeting of shareholders of the Company, or any adjournment thereof, convened by the Notice.

New Financier means Fortunate Era Investment Limited of PO Box 1239, Offshore Incorporation Centre, Victoria, Mahe Republic of Seychelles.

New Financier Options means 10,000,000 Options to be issued to the New Financier under Resolution 7.

Notice and **Notice of Meeting** and **Notice of Annual General Meeting** means the notice of annual general meeting which accompanies this Explanatory Statement.

Option means an option to subscribe for a Share in the Company.

Placement means the placement of up to 80,000,000 Shares proposed to be made under Resolution 4 to sophisticated and professional investors or other investors to whom the issue may be made without a disclosure document.

Placement Shares means the 80,000,000 Shares proposed to be issued under the Placement.

Remuneration Report means the remuneration report included under section 300A(1) of the Corporations Act.

Resolution means a resolution referred to in the Notice of Meeting.

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

Shareholder means a registered holder of Shares.

WST means Australian Western Standard Time.

10% Placement Facility is defined in **section 6.1** of the Explanatory Memorandum.

10% Placement Period is defined in **section 6.2(a)** of the Explanatory Memorandum.

ANNEXURE A

Terms and conditions of the Options the subject of Resolution 3(a)

1. The Options will expire at 5.00pm (WST) on 4 February 2019 (*Expiry Date*).
2. Each Option entitles the holder to subscribe for one Share in the capital of the Company, upon exercise in accordance with the terms and conditions of issue of the Options.
3. The exercise price payable on exercise of each Option is \$0.80 (*Exercise Price*).
4. The Options may be exercised at any time prior to the Expiry Date, in whole or in part.
5. An option holder may exercise the Options by lodging with the Company a written notice of exercise of Options in the form (if any) provided to the option holder by the Company for this purpose, specifying the number of Options being exercised together with a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised (*Exercise Notice*). An Exercise Notice will only be effective when the Company has received the full amount of the Exercise Price in cleared funds.
6. Within 7 days of the receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
7. All Shares allotted pursuant to the exercise of Options will rank, from the date of allotment, equally with the existing Shares of the Company in all respects.
8. Application will not be made for official quotation of the Options on ASX.
9. The Company will apply for official quotation of Shares issued pursuant to the exercise of Options, in accordance with the Listing Rules.
10. In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company before the Expiry Date of any Options, the Options will be reorganised in accordance with the Listing Rules.
11. An option holder is required to exercise the Option in order to participate in new issues of capital which may be offered to Shareholders during the currency of the Options. Option holders will be provided with written notice of the terms of the issue to Shareholders and afforded that period as determined by the Listing Rules before the record closing date to determine entitlements to the issue, to exercise their Options.
12. If there is a pro rata issue (except a bonus issue) to the Shareholders, the exercise price of the Options may be reduced according to the formula set out in Listing Rule 6.22.
13. The Options are transferable.

ANNEXURE B

Terms and conditions of the Director Options the subject of Resolution 6

The terms and conditions of the Director Options to be issued to the Hon Mr Richard Alston are as follows:

1. The Director Options will expire at 5.00pm (WST) on the date which is 4 years from the date of issue (*Expiry Date*). It is intended that the Company will issue the Director Options within one month after the date of Shareholder approval for the grant of the Director Options.
2. Each Option entitles the holder to subscribe for one Share in the capital of the Company, upon exercise, in accordance with the terms and conditions of issue of the Director Options.
3. The exercise price payable on exercise of each Option is \$0.80 (*Exercise Price*).
4. The Director Options may be exercised at any time prior to the Expiry Date, in whole or in part.
5. An option holder may exercise the Director Options by lodging with the Company a written notice of exercise of Director Options in the form (if any) provided to the option holder by the Company for this purpose, specifying the number of Director Options being exercised together with a cheque or electronic funds transfer for the Exercise Price for the number of Director Options being exercised (*Exercise Notice*). An Exercise Notice will only be effective when the Company has received the full amount of the Exercise Price in cleared funds.
6. Within 7 days of the receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Director Options specified in the Exercise Notice.
7. All Shares allotted pursuant to the exercise of Director Options will rank, from the date of allotment, equally with the existing Shares of the Company in all respects.
8. Application will not be made for official quotation of the Director Options on ASX.
9. The Company will apply for official quotation of Shares issued pursuant to the exercise of Director Options, in accordance with the Listing Rules.
10. In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company before the Expiry Date of any Director Options, the Director Options will be reorganised in accordance with the Listing Rules.
11. An option holder is required to exercise the Director Option in order to participate in new issues of capital which may be offered to Shareholders during the currency of the Director Options. Option holders will be provided with written notice of the terms of the issue to Shareholders and afforded that period as determined by the Listing Rules before the record closing date to determine entitlements to the issue, to exercise the Director Options.
12. If there is a pro rata issue (except a bonus issue) to the Shareholders after the date of issue of the Director Options, the exercise price of the Director Options may be reduced according to the formula set out in Listing Rule 6.22.
13. The Director Options are transferable.

ANNEXURE C

Terms and conditions of the New Financier Options the subject of Resolution 7

1. The New Financier Options will expire at 5.00pm (WST) on the date which is 3 years from the date of issue (*Expiry Date*).
2. Each New Financier Option entitles the holder to subscribe for one Share in the capital of the Company, upon exercise in accordance with the terms and conditions of issue of the New Financier Options.
3. The exercise price payable on exercise of each New Financier Option is \$0.80 (*Exercise Price*).
4. The New Financier Options may be exercised at any time prior to the Expiry Date, in whole or in part.
5. An option holder may exercise the New Financier Options by lodging with the Company a written notice of exercise of New Financier Options in the form (if any) provided to the option holder by the Company for this purpose, specifying the number of New Financier Options being exercised together with a cheque or electronic funds transfer for the Exercise Price for the number of New Financier Options being exercised (*Exercise Notice*). An Exercise Notice will only be effective when the Company has received the full amount of the Exercise Price in cleared funds.
6. Within 7 days of the receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of New Financier Options specified in the Exercise Notice.
7. All Shares allotted pursuant to the exercise of New Financier Options will rank, from the date of allotment, equally with the existing Shares of the Company in all respects.
8. Application will not be made for official quotation of the New Financier Options on ASX.
9. The Company will apply for official quotation of Shares issued pursuant to the exercise of New Financier Options, in accordance with the Listing Rules.
10. In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company before the Expiry Date of any New Financier Options, the New Financier Options will be reorganised in accordance with the Listing Rules.
11. An option holder is required to exercise the Option in order to participate in new issues of capital which may be offered to Shareholders during the currency of the New Financier Options. Option holders will be provided with written notice of the terms of the issue to Shareholders and afforded that period as determined by the Listing Rules before the record closing date to determine entitlements to the issue, to exercise their New Financier Options.
12. If there is a pro rata issue (except a bonus issue) to the Shareholders, the exercise price of the New Financier Options may be reduced according to the formula set out in Listing Rule 6.22.
13. The New Financier Options are transferable.

AMEX RESOURCES LIMITED

ACN 089 826 237

PROXY FORM

Name of Shareholder: <NAME>
Address of Shareholder: <ADDRESS1>
<ADDRESS2>
<ADDRESS3>

CHESS HIN/SRN

Appointment of Proxy

I/We being a member/s of Amex Resources Limited entitled to attend and vote at the Annual General Meeting hereby appoint:

The Chair of the Meeting (mark box)

OR if you are not appointing the Chair of the Meeting as your proxy, please write here the full name of the individual or body corporate you are appointing as your proxy

or failing the person named, or if no person is named, the Chair 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 subject to the relevant laws, as the proxy sees fit) at the Annual General Meeting of Amex Resources Limited to be held at the Celtic Club, 48 Ord Street, West Perth, Western Australia on 16 November 2015 at 1 pm (WST) and at any adjournment of that Meeting.

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

Important for Resolutions 1 and 6: If the Chair of the Meeting is appointed as your proxy, or may be appointed by default, and you have not directed the proxy how to vote on Resolution 1 (Remuneration Report) or Resolution 6 (issue of Director Options to Chairman) by marking the boxes below, you hereby expressly authorise the Chair to exercise your proxy on Resolutions 1 and 6 even though each of those Resolutions is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

If any other member of the Key Management Personnel of the Company, or a Closely Related Party of such a member, is your nominated proxy and you have not directed the proxy how to vote on Resolution 1 or Resolution 6, the proxy's vote will not be counted in any vote on that Resolution.

Voting directions to your proxy – please mark to indicate your directions

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director – The Hon Richard Alston	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3(a)	Ratification of prior placement of 2,000,000 Options to Mr Petty	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3(b)	Ratification of prior placement of 500,000 Shares to Financier	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of Placement of up to 80,000,000 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval of issue of Director Options to Chairman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval of issue of 10,000,000 Shares and 10,000,000 New Financier Options to New Financier	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the Abstain box for a particular item of business, your votes will not be counted in computing the required majority on a poll.

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

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

Please sign here This section **must** be signed in accordance with the instructions overleaf

Individuals only

Securityholder 1.....

Securityholder 2.....

Securityholder 3.....

Companies only

Sole Director and Sole Company Secretary

Director.....

Director/Company Secretary.....

Contact name

Contact daytime telephone number

Date

How to complete the Proxy Form

1. Your address

The address on page 1 is your address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Please note that you cannot change ownership of your securities using this form.

2. Appointment of a proxy

If you wish to appoint the Chair of the Meeting as your proxy, please mark the first box. If the person you wish to appoint as your proxy is someone other than the Chair of the Meeting, please write the full name of that individual or body corporate in the space provided. If you leave both the box and this section blank, or your named proxy does not attend the Meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the Company. A proxy may be an individual or a body corporate.

3. Transfer of non Chair proxy to Chair in certain circumstances

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

4. Votes on items of business

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses (subject to the matters set out below). If you mark more than one box on an item your vote on that item will be invalid.

If you direct your proxy how to vote on a particular resolution, the proxy need not vote on a show of hands but if the proxy does so, the proxy must vote as directed. If the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands. If the proxy is the Chair, the proxy must vote on a poll, and must vote as directed and if the proxy is not the Chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote as directed.

If any member of the Key Management Personnel of the Company, or a Closely Related Party of such a member, is your nominated proxy and you have not directed the proxy how to vote on Resolution 1 (Remuneration Report) or Resolution 6 (issue of Director Options to Chairman), the proxy's vote will not be counted in any vote on that Resolution unless that member is also the Chair of the Meeting. If the Chair of the Meeting is your nominated proxy, or may be appointed by default, and you have not directed your proxy how to vote on Resolution 1 or Resolution 6, by signing and returning the Proxy Form you expressly authorise the Chair to exercise your proxy on Resolution 1 and Resolution 6 even though those Resolutions are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

5. Appointment of a second proxy

You are entitled to appoint up to two proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company or you may copy this form. To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together in the same envelope.

6. Signing instructions

You must sign this form as follows in the spaces provided:

Individual:	Where the holding is in one name, the holder must sign.
Joint holding:	Where the holding is in more than one name, all of the securityholders should sign.
Power of attorney:	To sign under Power of Attorney, you must have already lodged this document with the Company or the registry. If you have not previously lodged this document, 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 <i>Corporations Act 2001</i>) 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 indicate the office held by signing in the appropriate place.

If a representative of a corporate securityholder or proxy is to attend the Meeting, the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company.

Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below no later than 48 hours before the commencement of the meeting which is scheduled for 1 pm (WST) on 16 November 2015. Any Proxy Form received after that time will not be valid for the scheduled meeting. **Documents may be lodged by:**

- **posting** to the Company at 22 Emerald Terrace, West Perth, Western Australia 6005; or
- **delivery** to the Company at 22 Emerald Terrace, West Perth, Western Australia 6005; or
- **sending by facsimile** to the Company on +61 8 9321 0320; or
- **email** to the Company Secretary at gary@amex.net.au