



ABN 20 109 361 195

NOTICE OF ANNUAL GENERAL MEETING

&

EXPLANATORY STATEMENT

To be held

at 10.00am on Monday, 30 November 2015

at

Suite 7, 7 The Esplanade, Mt Pleasant, WA 6153

Alloy

RESOURCES LIMITED

ABN 20 109 361 195

Suite 6, 7 The Esplanade Mt Pleasant
WA 6153 Australia

Tel: 618 9316 9100
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16th October 2015

Dear Fellow Alloy Shareholder,

Please find enclosed the Notice of Annual General Meeting for the Shareholders' Meeting to be held at Suite 7, 7 The Esplanade, Mt Pleasant, WA 6153 at 10.00am on Monday, 30 November 2015.

The purpose of the meeting is to conduct the annual business of the Company, being consideration of the annual financial statements, the remuneration report and in addition seek shareholder approval in accordance with the Corporations Act 2001 and the Listing Rules of the ASX to a number of resolutions, which are set out in the attached Notice of Meeting paper.

Your Directors seek your support and look forward to your attendance at the meeting.

Yours sincerely

Andy Viner
Executive Chairman

ALLOY RESOURCES LIMITED
ABN 20 109 361 195
NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Alloy Resources Limited will be convened at 10.00am on Monday, 30 November 2015 at Suite 7, 7 The Esplanade, Mt Pleasant WA 6153.

AGENDA

1. Discussion of Financial Statements and Reports

To discuss the Financial Report, the Directors' Report and Auditor's Report for the year ended 30 June 2015.

2. Adoption of the Remuneration Report

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

"That, for the purpose 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 2015."

3. Election of Director – Mr Kevin Hart

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

"That Mr Kevin Hart, who retires by rotation in accordance with the company's constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."

4. Approval of the issue of equity securities up to 10% of the issued capital

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

"That, for the purpose of Listing Rule 7.1A and all other purposes, the Company approves the allotment and issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement."

5. Ratification of Prior Issues of Equity Securities

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

"That, for the purpose of ASX Listing Rule 7.4, and for all other purposes Shareholders ratify the allotment and issue of 855,942 Ordinary Shares and 427,971 Options over Ordinary Shares on the terms and conditions set out in the Explanatory Statement."

6. Ratification of Prior Issues of Equity Securities

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

"That, for the purpose of ASX Listing Rule 7.4, and for all other purposes Shareholders ratify the allotment and issue of 3,125,000 Shares on the terms and conditions set out in the Explanatory Statement."

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GENERAL NOTES

1. With respect to Agenda Item 2, the vote on this item is advisory only and does not bind the Directors of the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

The Chairman of the meeting intends to vote undirected proxies that are able to be voted, in favour of the adoption of the remuneration report.

2. **Voting Prohibition Statement:**

A restricted Voter means Key Management Personnel and their closely related parties

The Company will disregard any votes cast on Agenda Item 2 by or on behalf of a Restricted Voter. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- (b) it is not cast on behalf of a Restricted Voter.

Further, a Restricted Voter who is appointed as a proxy will not vote on Agenda Item 2:

- (a) the appointment specifies the way the proxy is to vote on that Resolution; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Agenda Item 2. Shareholders may also choose to direct the Chair to vote against Agenda Item 2 or to abstain from voting.

3. **Voting Exclusions:**

The Company will disregard any votes cast on Agenda Item 4- 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.

The Company will disregard any votes cast on Agenda Item 5-6 by any person who participated in the security issues and any of their associates.

However, votes cast by a person as proxy for a person who is entitled to vote (in accordance with the directions on the proxy form) or 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) will be taken into account.

4. **Explanatory Statement**

The Explanatory Statement to Shareholders attached to this Notice of Annual General Meeting is hereby incorporated into and forms part of this Notice of Annual General Meeting.

5. **Voting by Proxy**

New sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this Annual General Meeting. Broadly, the changes mean that:

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

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and

- 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
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. 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 that way (i.e. as directed).

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Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

6. Voting Entitlement

The Directors have determined in accordance with Regulation 7.11.37 of the Corporations Regulations that, for the purposes of attending and voting at the meeting, Shares will be taken to be held by the registered holders at 10.00am on 27th November 2015.

BY ORDER OF THE BOARD

Kevin R Hart
COMPANY SECRETARY
Dated this 16th day of October 2015.

ALLOY RESOURCES LIMITED

ABN 20 109 361 195

EXPLANATORY STATEMENT

The purpose of the Explanatory Statement is to provide shareholders with information concerning all of the Agenda items in the Notice of Annual General Meeting.

1. Discussion of Financial Statements & Reports

Alloy Resources Limited's financial reports and the directors' declaration and reports and the auditor's report are placed before the meeting thereby giving shareholders the opportunity to discuss those documents and to ask questions. The auditor will be attending the Annual General Meeting and will be available to answer any questions relevant to the conduct of the audit and his report.

2. Adoption of Remuneration Report

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

Under the Corporations Act if at least 25% of the votes cast on the resolution to Agenda Item 2 are voted against adoption of the Remuneration Report at the Annual General Meeting, and then again at the Company's next Annual General Meeting, the Company will be required to put to Shareholders a resolution proposing the calling of a general meeting to consider the appointment of directors of the Company (**Spill Resolution**).

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the general meeting (**Spill Meeting**) within 90 days of the Company's Annual General Meeting. All of the Directors who were in office when the Company's Directors' report was approved, other than the Managing Director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

The proportion of votes cast against the adoption of the 2014 Remuneration Report was less than 25% of the total votes cast. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

The remuneration report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The remuneration report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2015.

A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

The Board considers that its current practices of setting executive and non-executive remuneration are within normal industry expectations, and provides an effective balance between the need to attract and retain the services of the highly skilled key management personnel that the Company requires. As such the directors recommend that shareholders vote in favour of the resolution to Agenda Item 2.

Definitions

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.

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

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

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2015.

EXPLANATORY STATEMENT

3. Election of Mr Kevin Hart

Kevin holds a Bachelor of Commerce Degree and is a Chartered Accountant. He is a Partner at Endeavour Corporate Pty Ltd, an advisory firm that specialises in the provision of Company Secretarial services to ASX listed entities. Kevin has over 26 years of professional experience with various public companies, mostly in the exploration and mining industry. Kevin was also a director of Gold Road Resources Limited until 30 June 2013.

The directors recommend that the shareholders vote in favour of the appointment of Mr Kevin Hart.

4. Approval to Issue up to 10% Placement Capacity

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital over a 12 month period after the Annual General Meeting at which a resolution for the purposes of Listing Rule 7.1A is passed by special resolution (**Additional 10% Placement Capacity**). The Additional 10% Placement Capacity is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An entity will be eligible to seek approval under Listing Rule 7.1A if: (a) the entity has a market capitalisation of \$300 million or less; and (b) the entity that is not included in the S&P ASX 300 Index. The Company is an eligible entity for the purposes of Listing Rule 7.1A.

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 \$2,956,245, being 492,707,646 ordinary shares at \$0.006.

The number of Equity Securities to be issued under the Additional 10% Placement Capacity will be determined in accordance with the formula set out in Listing Rule 7.1A.2.

The Company is putting Agenda Item 4 to Shareholders to seek approval to issue additional Equity Securities under the Additional 10% Placement Capacity.

This Resolution does not mean that the Company will necessarily utilise the 10% Additional Placement Capacity. Rather, capital markets have recently been in a state of fluctuation and the Directors acknowledge that they may need to act quickly to raise funds when favourable markets emerge. The Company's failure to raise capital, if and when needed, could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities. Under these circumstances, the Additional 10% Placement Capacity will provide flexibility for the Company to issue additional securities, in the event that the Directors determine that the issue of the additional securities is in the interests of the Shareholders and the Company in achieving its objectives.

Listing Rule 7.1A

The effect of Agenda Item 4 will be to permit the Company to issue the Equity Securities under Listing Rule 7.1A during the Additional Placement Period (as defined below) without using the Company's 15% placement capacity under Listing Rule 7.1.

Equity Securities issued under the Additional 10% Placement Capacity must be in the same class as an existing quoted class of Equity Securities of the Company. As at the date of this Notice the Company has only Shares on issue as quoted securities.

At the date of this Notice the Company has 492,707,646 Shares on issue and therefore, subject to Shareholder approval being sought under Agenda Item 4. Shareholders should note that the calculation of the number of Equity Securities permitted to be issued under the Additional 10% Placement Capacity is a moving calculation and will be based the formula set out in Listing Rule 7.1A.2 at the time of issue of the Equity Securities. The table on the page below demonstrates various examples as to the number of Equity Securities that may be issued under the Additional 10% Placement Capacity.

The resolution the subject of Agenda Item 4 is a special resolution, requiring approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative) in order to be passed.

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EXPLANATORY STATEMENT

4. Approval to Issue up to 10% Placement Capacity (continued)

Specific information required by Listing Rule 7.3A

The following information in relation to the Equity Securities to be issued is provided to Shareholders for the purposes of Listing Rule 7.3A:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the volume weighted average price for the Company's Equity Securities over the 15 Trading Days immediately before:
- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If the resolution the subject of Agenda Item 4 is approved by Shareholders and the Company issues Equity Securities under the Additional 10% Placement Capacity, the existing Shareholders' economic and voting interests in the Company will be diluted. There is also a risk that:
- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities.

The table below shows the dilution of existing Shareholders of the issue of the maximum number of Equity Securities under the Additional 10% Placement Capacity using different variables for the number of ordinary securities for variable "A" (as defined in Listing Rule 7.1A) and the market price of Shares. It is noted that variable "A" is based on the number of ordinary securities the Company has on issue at the time of the proposed issue of Equity Securities.

The table shows:

- (i) examples of where variable "A" is at its current level, and where variable "A" has increased by 50% and by 100%;
- (ii) examples of where the issue price of ordinary securities is the current market price as at close of trade on 8 October 2015 (current market price), where the issue price is halved, and where it is doubled; and
- (iii) the dilutionary effect will always be 10% if the maximum number of Equity Securities that may be issued under the Additional 10% Placement Capacity are issued.

Variable 'A'	Number of Shares issued and funds raised under the Additional 10% Placement Capacity and dilution effect	Dilution		
		\$0.0025 Issue Price at half the current market price	\$0.005 Issue Price at current market price	\$0.01 Issue Price at double the current market price
Current Variable A 492,707,646 Shares	Shares issued	49,270,765	49,270,765	49,270,765
	Funds raised	\$123,177	\$246,354	\$492,708
	Dilution	10%	10%	10%
50% increase in current Variable A 739,061,469 Shares	Shares issued	73,906,147	73,906,147	73,906,147
	Funds raised	\$184,765	\$369,531	\$739,061
	Dilution	10%	10%	10%
100% increase in current variable A 985,415,292 Shares	Shares issued	98,541,529	98,541,529	98,541,529
	Funds raised	\$246,354	\$492,708	\$985,415
	Dilution	10%	10%	10%

Note: this table assumes:

- (i) No Options or Performance Rights are exercised before the date of the issue of the Equity Securities;
- (ii) The Company issues the maximum number of Equity Securities under the Additional 10% Placement Capacity and the Equity Securities issues consists only of Shares;

EXPLANATORY STATEMENT

4. Approval to Issue up to 10% Placement Capacity (continued)

Specific information required by Listing Rule 7.3A (continued)

- (iii) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholders holding at the date of the Annual General Meeting;
- (iv) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (c) Approval of the Additional 10% Placement Capacity will be valid from the date of the Annual General Meeting and will expire on the earlier of:
 - (i) the date that is 12 months after the date of the Annual General Meeting; and
 - (ii) the date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),
- (d) The Company may seek to issue the Equity Securities for the following purposes:
 - (i) As cash consideration. If Equity Securities are issued for cash consideration, the Company intends to use the funds to advance the company's exploration projects, fund other potential acquisition or exploration opportunities that may arise and provide working capital; or
 - (ii) As non-cash consideration for the acquisition of new assets. If Equity Securities are issued for non-cash consideration, the Company will comply with the minimum issue price limitation under Listing Rule 7.1A.3 in relation to such issue and will release the valuation of the non-cash consideration to the market.

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

- (e) The Company's allocation policy for the issue of Equity Securities under the Additional 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s). Securities allotted pursuant to the allocation policy will be determined following consideration of a number of factors including, but not limited to, the following matters:
 - (i) the ability of the Company to raise funds at the time of the proposed issue of Equity Securities;
 - (ii) the dilutionary effect of the proposed of the issue of the Equity Securities on existing Shareholders at the time of proposed issued of Equity Securities;
 - (iii) the financial situation and solvency of the Company; and
 - (iv) advice from its professional advisers, including corporate, financial and broking advisers (if applicable).

At the date of this Notice, the Company has not formed an intention as to whether the securities will be offered to existing security holders, or to any class or group of existing security holders, or whether the securities will be offered exclusively to new investors that have not previously been security holders of the Company. The Company will give consideration before making any placement of securities under Listing Rule 7.1A whether the raising of any funds under such placement could be carried out in whole, or in part, by an entitlements offer to existing security holders.

The allottees under the Additional 10% Placement Capacity have not been determined as at the date of this Notice but will not include related parties (or their associates) of the Company.

- (f) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not determined its allocation policy for the issue of Equity Securities under the Additional 10% Placement Capacity. The Company has not approached, and has not yet determined to approach, any particular existing security holders or an identifiable class of existing security holders to participate in an offer under the Additional 10% Placement Capacity, and therefore no Shareholder will be excluded from voting on Agenda Item 4.

- (g) Previous Approval under ASX Listing Rule 7.1A

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its 2014 Annual General Meeting. The Company has issued no shares pursuant to that Listing Rule 7.1A approval. During the 12 month period preceding 30 November 2015, being the date of the Meeting, the Company issued a total of 48,410,652 Shares and 22,642,821 Options. The total amount of 48,410,652 equity securities issued represents approximately 10.9% of the total diluted number of Equity Securities on issue in the Company on 30 November 2014, being 444,296,994.

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EXPLANATORY STATEMENT

4. Approval to Issue up to 10% Placement Capacity (continued)

Information relating to issues of Equity Securities by the Company in the 12 months prior to 30 November 2015 is as follows:

Date of Appendix 3B	Number of Equity Securities	Class of Equity Securities and summary of terms	Names of recipients or basis on which recipients determined	Issue price of Equity Securities and discount to Market Price ¹ on the trading day prior to the issue	If issued for cash – the total consideration, what it was spent on and the intended use of any remaining funds If issued for non-cash consideration – a description of the consideration and the current value of the consideration
4 November 2014	2,000,000	Unlisted options exercisable at 1.6 cents expiring on 30 November 2017	Executive options issued to Non-executive Director ,Andre Marschke	Nil	Issued in accordance with the resolution passed by shareholders at the 2014 Annual General Meeting held on 27 November 2014.
22 December 2014	45,285,652 Shares 22,642,821 Options	Note 2 Unlisted options exercisable at 1.5 cents expiring on 31 December 2015	Non-renounceable Entitlement Issue to shareholders.	\$0.007 issue price being 12.5% discount to the Market Price on 21 December 2014 of \$0.008.	The shares and attaching options were issued under a Non Renounceable Entitlement issue at \$0.007 per share with one free attaching option for every two shares issued. All of the funds raised were used to fund the Company's ongoing review of new project opportunities and to provide working capital
22 April 2015	3,125,000 Shares	Note 2	1,562,500 shares issued to Indepth Geological Services Pty Ltd 1,562,500 shares issued to Firestone Consulting Pty Ltd	Deemed issue price of \$0.008 being nil% discount to the Market Price on 21 April 2015 of \$0.005.	Shares were issued in part consideration of the initial payment for the Martin's Well Joint Venture exercising the right to earn a 90% interest in the project. The current value of the shares issued is \$18,750.

Notes:

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises).
2. Fully paid ordinary shares in the capital of the Company, ASX Code: AYR (terms are set out in the Constitution).

Directors Recommendation

The Board recommends Shareholders vote in favour of Agenda Item 4.

5. Ratification of Prior Issue of Equity Securities

Specific Information required by LR 7.5.5

Agenda Item 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of *855,942 Ordinary Shares and 427,971 Options over Ordinary Shares*. (Ratification).

On 20 November 2014, the Company announced a non-renounceable entitlement issue for 44,429,700 ordinary shares at 0.7 cents per share, on the basis of one new share for every ten shares held. For each two new shares issued, the Company issued one attaching unlisted option, exercise-able at 1.5 cents each on or before 31 December 2015.

The entitlement issue closed over-subscribed and an additional 855,942 ordinary shares at 0.7 cents per share and 427,971 attaching unlisted options, exercise-able at 1.5 cents each on or before 31 December 2015, were allotted on 22 December 2014 to shareholders of the company.

The additional share and option issue was completed pursuant to the 15% annual placement capacity under Listing Rule 7.1. and shareholder ratification for those shares is being sought pursuant to ASX Listing Rule 7.4 at Agenda Item 5.

The funds were used to fund the Company's ongoing review of new project opportunities and to provide working capital.

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

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

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

6. Ratification of Prior Issue of Equity Securities

Specific information required by LR 7.5

Agenda Item 6 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the 3,125,000 ordinary fully paid shares. (Ratification).

On 28 January 2015, the Company announced that it had secured an option over the Martin's Well Project. The initial payment to earn a 90% interest in the project was \$25,000 cash and \$25,000 in shares at a price based on the previous 20 day weighted average price. 3,125,000 ordinary fully paid shares were issued to the vendors on 22 April 2015 at a deemed issue price of \$0.008 per share. 1,562,500 shares issued to Indepth Geological Services Pty Ltd and 1,562,500 shares issued to Firestone Consulting Pty Ltd, (the vendors).

The share issue was completed pursuant to the 15% annual placement capacity under Listing Rule 7.1. and shareholder ratification for those shares is being sought pursuant to ASX Listing Rule 7.4 at Agenda Item 6.

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

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

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