



ACN 112 731 638

Notice of Extraordinary General Meeting

The Extraordinary General Meeting of Fe Limited will be held at 32 Harrogate Street, West Leederville, Western Australia on 8 August 2019 at 9am (WST).

This notice of Extraordinary general meeting should be read in its entirety. If Shareholders are in any doubt as to how they should vote, they should seek advice from their professional advisor prior to voting.

Please contact the Company Secretary on +61 8 6181 9793 or catherineg@felimited.com.au if you wish to discuss any matter concerning the Meeting.

Fe Limited
ACN 112 731 638

Notice of Extraordinary General Meeting

Notice is hereby given that an Extraordinary General Meeting of the Shareholders of Fe Limited will be held at 32 Harrogate Street, West Leederville, Western Australia on 8 August 2019 at 9am (WST) (**Meeting**).

The Explanatory Memorandum to this Notice of Meeting provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and Proxy Form form part of this Notice of Meeting.

Shareholders are urged to vote by attending the Meeting in person or by returning a completed Proxy Form. Instructions on how to complete a Proxy Form are set out in the Explanatory Memorandum.

Proxy Forms must be received by no later than 9am (WST) on 6 August 2019.

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Schedule 1 of the Explanatory Memorandum.

Agenda

RESOLUTION 1 - RATIFICATION OF PRIOR ISSUE OF PLACEMENT A OPTIONS

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

“That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 10,000,000 Placement A Options on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

RESOLUTION 2 - RATIFICATION OF PRIOR ISSUE OF PLACEMENT B SHARES

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

“That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 31,137,204 Placement B Shares on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

RESOLUTION 3 - APPROVAL TO ISSUE FURTHER PLACEMENT B SHARES

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

“That for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 5,000,000 Placement B Shares on the terms and conditions set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

RESOLUTION 4 - APPROVAL TO ISSUE PLACEMENT B OPTIONS

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

“That for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 13,375,000 Placement B Options on the terms and conditions set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

RESOLUTION 5 - RATIFICATION OF PRIOR ISSUE OF CONSIDERATION SHARES

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

“That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 12,500,000 Consideration Shares to Mercury on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

RESOLUTION 6 - APPROVAL TO ISSUE CONSIDERATION OPTIONS

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

“That for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 15,000,000 Consideration Options to Mercury on the terms and conditions set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

RESOLUTION 7 - RATIFICATION OF PRIOR ISSUE OF SHARES TO PINNACLE

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

“That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 2,406,990 Pinnacle Shares on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

RESOLUTION 8 - APPROVAL TO ISSUE OPTIONS TO PINNACLE

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

“That for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 601,748 Pinnacle Options on the terms and conditions set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

RESOLUTION 9 - ISSUE OF OPTIONS TO A RELATED PARTY - TONY SAGE

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

“That for the purposes of Section 195(4) and Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 10,000,000 Director Options to Tony Sage (or his nominee) on the terms and conditions set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

RESOLUTION 10 - ISSUE OF OPTIONS TO A RELATED PARTY - KENNETH KEOGH

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

“That for the purposes of Section 195(4) and Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 5,000,000 Director Options to Kenneth Keogh (or his nominee) on the terms and conditions set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

RESOLUTION 11 - ISSUE OF OPTIONS TO A RELATED PARTY - NICHOLAS SAGE

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

“That for the purposes of Section 195(4) and Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 2,500,000 Director Options to Nicholas Sage (or his nominee) on the terms and conditions set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

RESOLUTION 12 - ISSUE OF CONSULTANT OPTIONS TO BELLATRIX

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

“That for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 2,500,000 Consultant Options to Bellatrix on the terms and conditions set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

VOTING PROHIBITION AND EXCLUSION STATEMENTS

Corporations Act

The Corporations Act prohibits votes being cast (in any capacity) on the following resolutions by any of the following persons and their associates:

Resolution	Persons Excluded from Voting
Resolutions 9 to 11 - Issue of Options to a Related party - Tony Sage	a related party of the Company to whom the resolution would permit a financial benefit to be given.
Resolution 10 - Issue of Options to a Related Party - Kenneth Keogh	a related party of the Company to whom the resolution would permit a financial benefit to be given.
Resolution 11 - Issue of Options to a Related Party - Nicholas Sage	a related party of the Company to whom the resolution would permit a financial benefit to be given.

However, a person is not prevented from casting 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 related party or associate of a kind referred to above.

Listing Rule 14.11

Under Listing Rule 14.11, the Company will disregard any votes cast in favour of the following Resolutions by the following persons and their associates:

Resolution	Persons excluded from voting
Resolution 1 - Ratification of Prior Issue of Placement A Options	a person who participated in the issue (except a benefit solely by reason of being a Shareholder).
Resolution 2 - Ratification of Prior Issue of Placement B Shares	a person who participated in the issue (except a benefit solely by reason of being a Shareholder).
Resolution 3 - Approval to Issue Further Placement B Shares	a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder).
Resolution 4 - Approval to Issue Placement B Options	a person who is expected to participate in, or who will obtain a material benefit as a result of, the

	proposed issue (except a benefit solely by reason of being a Shareholder).
Resolution 5 - Ratification of Prior Issue of Consideration Shares	a person who participated in the issue (except a benefit solely by reason of being a Shareholder).
Resolution 6 - Approval to Issue Consideration Options	a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder).
Resolution 7 - Ratification of Prior Issue of Shares to Pinnacle	a person who participated in the issue (except a benefit solely by reason of being a Shareholder).
Resolution 8 - Approval to Issue Options to Pinnacle	a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder).
Resolution 9 - Issue of Options to a Related party - Tony Sage	a person who is to receive securities in relation to the Company.
Resolution 10 - Issue of Options to a Related Party - Kenneth Keogh	a person who is to receive securities in relation to the Company.
Resolution 11 - Issue of Options to a Related Party - Nicholas Sage	a person who is to receive securities in relation to the Company.
Resolution 12 - Issue of Consultant Options to Bellatrix	a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder).

However, the Company needs not disregard a vote if:

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

By order of the Board of Directors

A handwritten signature in black ink, appearing to read 'C Grant-Edwards', with a long horizontal flourish extending to the right.

Catherine Grant-Edwards
Company Secretary
Fe Limited
3 July 2019

FE LIMITED
ACN 112 731 638

Explanatory Memorandum

INTRODUCTION

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at 32 Harrogate Street, West Leederville, Western Australia on 8 August 2019 at 9am (WST). The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding how to vote on the Resolutions set out in the Notice.

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice, and includes the following:

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A Proxy Form is located at the end of this Explanatory Memorandum.

Please contact the Company Secretary on +61 8 6181 9793 or catherineg@felimited.com.au if you wish to discuss any matter concerning the Meeting.

1 ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

1.1 Voting in person

All Shareholders are invited and encouraged to attend the Meeting.

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

1.2 Voting by Proxy

If a Shareholder is unable to attend in person, they can appoint a proxy to attend on their behalf by signing and returning the Proxy Form (attached to the Notice) to the Company in accordance with the instructions on the Proxy Form.

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

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

The Company encourages Shareholders completing a Proxy Form to direct the proxy how to vote on each Resolution.

The Proxy Form must be received no later than 48 hours before the commencement of the Meeting, i.e. by no later than 9am (WST) on 6 August 2019. Any Proxy Form received after that time will not be valid for the Meeting.

A Proxy Form may be lodged using the reply paid envelope provided or online at www.linkmarketservices.com.au. Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Security Reference Number (SRN) or Holding Identification Number (HIN) as shown on the Proxy Form.

Shareholders lodging a Proxy Form are not precluded from attending and voting in person at the Meeting.

1.3 Corporate representatives

Shareholders who are body corporates may appoint a person to act as their corporate representative at the Meeting by providing that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as the body corporate's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

An appointment of corporate representative form is available from the website of the Company's share registry (Link Market Services, www.linkmarketservices.com.au).

1.4 Eligibility to vote

For the purposes of regulations 7.11.37 and 7.11.38 of the Corporations Act Regulations, the Directors have determined that, for the purposes of voting at the Meeting, Shareholders are those persons who are the registered holders of Shares at 5:00pm (WST) on 6 August 2019.

2 RESOLUTION 1 - RATIFICATION OF PRIOR ISSUE OF PLACEMENT A OPTIONS

2.1 Introduction

On 8 May 2019, the Company completed a placement to sophisticated and professional investors raising a total of \$400,000 (**Placement A**) through the issue of Shares at an issue price of \$0.02 per Share (**Placement A Shares**), with one free attaching Option for every two Placement A Shares issued at an exercise price of \$0.03 each expiring 2 years from date of issue (**Placement A Options**). The Placement A Options were issued in three separate tranches, and therefore various expiry dates apply. Following is a table that sets out the respective security issues:

Placement A Shares	Issue Date	Basis of Issue
11,250,000	14 March 2019	Listing Rule 7.1A
6,250,000	12 April 2019	Listing Rule 7.1A
2,500,000	8 May 2019	Listing Rule 7.1A
20,000,000	Total	

Placement A Options	Expiry dates	Basis of Issue
5,625,000	Exercisable at \$0.03 expiring 13 March 2021	Listing Rule 7.1

3,125,000	Exercisable at \$0.03 expiring 12 April 2021	Listing Rule 7.1
1,250,000	Exercisable at \$0.03 expiring 8 May 2021	Listing Rule 7.1
10,000,000	Total	

Placement A Shares were issued under the Company's 10% placement facility pursuant to Listing Rule 7.1A.

10,000,000 Placement A Options were issued under the Company's 15% placement facility pursuant to Listing Rule 7.1. Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the 10,000,000 Placement A Options.

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.

2.2 Information required by Listing Rule 7.4

For the purposes of Listing Rule 7.4, the following information is provided about the Placement A Options issued:

- (a) The number of securities issued: 10,000,000 Placement A Options.
- (b) The price at which the securities were issued: the Placement A Options were issued as free attaching options to the Placement A Shares subscribed for and issued.
- (c) The terms of the securities: the Placement A Options are exercisable at \$0.03 each with an expiry date of 2 years from the date of issue; and otherwise on the terms set out in SCHEDULE 2.
- (d) The names of the persons to whom the entity issued the securities or the basis on which those persons were determined: the Placement A Options were issued to sophisticated and professional investors (being participating Placement A investors as identified by the Directors), none of which is a related party of the Company.
- (e) The use (or intended use) of the funds raised: no funds were raised from the issue of the Placement A Options as they were issued as free attaching options, funds raised from exercising the Placement A Options will be used to meet the Company's financial needs at the time including for working capital.
- (f) A voting exclusion statement is included in the Notice.

2.3 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 1. This will restore the Company's ability to issue securities under the Company's 15% annual limit permitted by Listing Rule 7.1.

3 INTRODUCTION TO RESOLUTIONS 2 AND 3

3.1 Introduction

As announced on 4 June 2019, the Company completed three placements to sophisticated and professional investors (**Placement B**) for the issue of Shares at an issue price of \$0.015 per Share (**Placement B Shares**). Subject to receipt of shareholder approval, one free option will be issued for every four Placement B Shares with the options having an exercise price of \$0.02 each expiring 31 May 2021 (**Placement B Options**).

Following is a table that sets out the respective securities issued:

Placement B Shares	Issue date	Basis of Issue
17,362,796	23 May 2019	Listing Rule 7.1A
5,203,871	23 May 2019	Listing Rule 7.1
25,933,333	4 June 2019	Listing Rule 7.1
48,500,000	Total	

Of the 48,500,000 Placement B Shares issued, a total of 31,137,204 Placement B Shares were issued using the Company's 15% capacity pursuant to Listing Rule 7.1, Resolution 2 seeks Shareholder approval under Listing Rule 7.4 to ratify the issue of 31,137,204 Placement B Shares.

The Company also has received firm commitment of \$75,000 from investors to participate in the Placement B and proposes to issue 5,000,000 Placement B Shares (**Proposed Placement B Shares**) to such investors at an issue price of \$0.015 per Share, Resolution 3 seeks shareholder approval under Listing Rule 7.1. to issue 5,000,000 Placement B Shares.

As a result, assuming the Proposed Placement B Shares are issued, together with the 48,500,000 Placement B Shares on issue, there will be a total of 53,500,000 Placement B Shares on issue. Subject to Shareholder approval, on the basis of one free option for every four Placement B Shares, the Company will issue 13,375,000 Placement B Options to the holders of Placement B Shares. Resolution 4 seeks Shareholder approval under Listing Rule 7.1. to issue the 13,375,000 Placement B Options.

4 RESOLUTION 2 - RATIFICATION OF PRIOR ISSUE OF PLACEMENT B SHARES

4.1 Introduction

Resolution 2 seeks Shareholder approval under Listing Rule 7.4 to ratify the issue of 31,137,204 Placement B Shares.

4.2 Information required by Listing Rule 7.4

For the purposes of Listing Rule 7.4, the following information is provided in relation to the Placement B Shares:

- (a) The number of securities issued: 31,137,204 ordinary shares.
- (b) The price at which the securities were issued: \$0.015 per share.
- (c) The terms of the securities: fully paid ordinary shares.
- (d) The names of the persons to whom the entity issued the securities or the basis on which those persons were determined: the Placement B Shares were issued to sophisticated and professional investors as identified and arranged by the Company's broker Pinnacle and as identified by the Directors, none of which is a related party of the Company.
- (e) The use (or intended use) of the funds raised: funds raised are intended to be used on exploration activities at its projects (including the Pippingarra Lithium Project and Marble Bar Lithium Project) and for working capital purposes.
- (f) A voting exclusion statement is included in the Notice.

4.3 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 2. This will restore the Company's ability to issue securities under the Company's 15% annual limit permitted by Listing Rule 7.1.

5 RESOLUTION 3 - APPROVAL TO ISSUE FURTHER PLACEMENT B SHARES

5.1 Introduction

Resolution 3 seeks shareholder approval under Listing Rule 7.1. to issue 5,000,000 Placement B Shares at an issue price of \$0.015 per Share.

5.2 Information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3, the following information is provided about the issue:

- (a) The maximum number of securities to be issued: 5,000,000 Placement B Shares.

- (b) The date or dates on or by which the Company will issue the securities : the securities will be issued no later than 3 months after the date of the meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue will occur on the same date.
- (c) The issue price of the Placement B Shares: \$0.015 per Share.
- (d) The names of the persons to whom the entity will issue the securities or the basis upon which those persons will be identified or selected: sophisticated and professional investors as identified and arranged by the Company's broker Pinnacle, none of which will be a related party of the Company.
- (e) The terms of the securities: fully paid ordinary shares.
- (f) The use (or intended use) of the funds raised: funds raised are intended to be used on exploration activities at its projects (including the Pippingarra Lithium Project and Marble Bar Lithium Project) and for working capital purposes.
- (g) A voting exclusion statement is included in the Notice.

5.3 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 3 as this will allow the Company to issue securities and raise funds whilst preserving the Company's 15% annual limit permitted by Listing Rule 7.1.

6 RESOLUTION 4 - APPROVAL TO ISSUE PLACEMENT B OPTIONS

6.1 Introduction

Resolution 4 seeks Shareholder approval under Listing Rule 7.1.to issue 13,375,000 Placement B Options.

6.2 Information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3, the following information is provided about the issue:

- (a) The maximum number of securities to be issued:13,375,000 Placement B Options.
- (b) The date or dates on or by which the Company will issue the securities: the securities will be issued no later than 3 months after the date of the meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue will occur on the same date.
- (c) The issue price of the Placement B Options: nil cash consideration as they are issued as free attaching options to Placement B Shares.
- (d) The names of the persons to whom the entity will issue the securities or the basis upon which those persons will be identified or selected: investors who

are issued with Placement B Shares, which are sophisticated and professional investors as identified and arranged by the Company's broker Pinnacle, none of which will be a related party of the Company.

- (e) The terms of the securities: the Placement B Options will be exercisable at \$0.02 each and expire on 31 May 2021, and otherwise on the terms set out in SCHEDULE 3.
- (f) The use (or intended use) of the funds raised: no funds will be raised from the issue of the Placement B Options as they are issued as free attaching options; funds raised from exercising the Placement B Options will be used to meet the Company's financial needs at the time including for working capital.
- (g) A voting exclusion statement is included in the Notice.

6.3 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 4 as this will allow the Company to issue securities and raise funds whilst preserving the Company's 15% annual limit permitted by Listing Rule 7.1.

7 INTRODUCTION TO RESOLUTIONS 5 AND 6

7.1 Introduction

On 21 February 2019, the Company entered into an agreement (as varied on 8 March 2019, 20 May 2019 and 14 June 2019) (**Acquisition Agreement**) to acquire the Pippingarra Lithium Project and the Marble Bar Lithium Project (together the **Projects**) from Mercury Resources Group Pty Ltd (an unrelated private exploration and mining group) (**Mercury**) (**Mercury Transaction**). Pursuant to the Acquisition Agreement, consideration comprises:

- (a) 12,500,000 shares subject to six months escrow from date of issue (**Consideration Shares**);
- (b) 15,000,000 unlisted options with an exercise price of 2.5 cents each expiring on 31 March 2022 (**Consideration Options**);
- (c) a 1% net smelter royalty;
- (d) up to \$200,000 in cash payable in instalments; and
- (e) a further tranche of shares with a total value of \$250,000 (using an issue price equal to the Shares' 5 day VWAP) upon the Company announcing a JORC Resource of 50,000,000 tonnes @ 1% Li₂O within 24 months from completion (to be issued subject to prior shareholder approval).

As at the date of this Notice, completion of the Mercury Transaction is conditional upon, among other things, the following occurring:

- (a) Shareholders approving the issue of the Consideration Options; and

- (b) The Company receiving written confirmation from ASX that completion of the purchase under the Acquisition Agreement does not require re-compliance with Chapters 1 and 2 of the Listing Rules.

All other conditions precedent (as detailed in the Company's ASX Announcement dated 22 February 2019) have been satisfied or waived by the Company.

The Consideration Shares were issued on 23 May 2019 using the Company's 15% capacity pursuant to Listing Rule 7.1. 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.

Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of 12,500,000 Consideration Shares.

Resolution 6 seeks Shareholder approval under ASX Listing Rule 7.1 to issue 15,000,000 Consideration Options, and thus enable the Company to satisfy one of the remaining conditions to complete the Mercury Transaction.

8 RESOLUTION 5 - RATIFICATION OF PRIOR ISSUE OF CONSIDERATION SHARES

8.1 Introduction

Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of 12,500,000 Consideration Shares.

8.2 Information required by Listing Rule 7.4

For the purposes of Listing Rule 7.4, the following information is provided in relation to the Consideration Shares:

- (a) The number of securities issued: 12,500,000 Consideration Shares.
- (b) The price at which the securities were issued: Consideration Shares were issued as part consideration for the acquisition of the Projects, at a deemed issue price of \$0.018 per share.
- (c) The terms of the securities: fully paid ordinary shares.
- (d) The names of the persons to whom the entity issued the securities or the basis on which those persons were determined: Mercury, vendor of the Projects, who is unrelated to the Company.
- (e) The use (or intended use) of the funds raised: no funds were raised from the issue as the Consideration Shares were issued as consideration for the Company to acquire the Projects.
- (f) A voting exclusion statement is included in the Notice.

8.3 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 5. This will allow the Company to issue securities to complete the Mercury Transaction and restore the Company's ability to issue securities under the Company's 15% annual limit permitted by Listing Rule 7.1.

9 RESOLUTION 6 - APPROVAL TO ISSUE CONSIDERATION OPTIONS

9.1 Introduction

Resolution 6 seeks Shareholder approval under ASX Listing Rule 7.1 to issue the Consideration Options, and thus enable the Company to satisfy one of the remaining conditions to complete the Mercury Transaction.

9.2 Information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3, the following information is provided about the proposed issue of Consideration Options:

- (a) The maximum number of securities to be issued: 15,000,000 Consideration Options.
- (b) The date or dates on or by which the Company will issue the securities: the securities will be issued no later than 3 months after the date of the meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue will occur on the same date.
- (c) The issue price of the Consideration Options: the Consideration Options will be issued for nil cash consideration but as part consideration for the acquisition of the Projects.
- (d) The names of the persons to whom the entity will issue the securities: Mercury, vendor of the Projects, who is an unrelated party of the Company.
- (e) The terms of the securities: Consideration Options will be exercisable at \$0.025 each and expire 31 March 2022, and otherwise on the terms set out in SCHEDULE 4.
- (f) The use (or intended use) of the funds raised: no funds will be raised from the issue of the Consideration Options as they are issued a part of the Consideration for the Company to complete the Mercury Transaction; funds raised from exercising the Consideration Options will be used to meet the Company's financial needs at the time including for working capital.
- (g) A voting exclusion statement is included in the Notice.

9.3 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 6. This will allow the Company to issue securities to proceed to the completion of

the Mercury Transaction whilst preserving the Company's 15% annual limit permitted by Listing Rule 7.1.

10 INTRODUCTION TO RESOLUTIONS 7 AND 8

10.1 Introduction

On 4 June 2019, the Company issued 2,406,990 Shares at a deemed issue price of \$0.015 per Share to settle an amount of \$36,105 due to Pinnacle in relation to brokerage fees and corporate advisory services rendered by Pinnacle (**Pinnacle Shares**). Under the terms of the arrangement, the Company agreed to issue Pinnacle with one Option for every four Pinnacle Shares issued with the option having an exercise price of \$0.02 each expiring 31 May 2021, subject to receipt of shareholder approval (**Pinnacle Options**).

The Pinnacle Shares were issued using the Company's 15% capacity pursuant to Listing Rule 7.1. 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.

Resolution 7 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of 2,406,990 Pinnacle Shares.

On the basis of one Option for every four Pinnacle Shares, the Company will issue 601,748 Pinnacle Options. Resolution 8 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 to issue the 601,748 Pinnacle Options.

11 RESOLUTION 7 - RATIFICATION OF PRIOR ISSUE OF SHARES TO PINNACLE

11.1 Introduction

Resolution 7 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of 2,406,990 Pinnacle Shares.

11.2 Information required by Listing Rule 7.4

For the purposes of Listing Rule 7.4, the following information is provided in relation to the Pinnacle Shares issued:

- (a) The number of securities issued: 2,406,990 ordinary shares.
- (b) The price at which the securities were issued: a deemed issue price of \$0.015 per share to settle a creditor amount of \$36,105 in relation to brokerage fees and corporate advisory services rendered.
- (c) The terms of the securities: fully paid ordinary shares.

- (d) The names of the persons to whom the entity issued the securities: brokerage and corporate advisory services provider, Pinnacle, an unrelated party of the Company.
- (e) The use (or intended use) of the funds raised: no funds were raised as the Pinnacle Shares were issued to settle debts of the Company.
- (f) A voting exclusion statement is included in the Notice.

11.3 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 7. This will allow the Company to issue shares to settle its debt and restore the Company's ability to issue securities under the Company's 15% annual limit permitted by Listing Rule 7.1.

12 RESOLUTION 8 - APPROVAL TO ISSUE OPTIONS TO PINNACLE

12.1 Introduction

Resolution 8 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 to issue the 601,748 Pinnacle Options.

12.2 Information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3, the following information is provided in relation to the proposed issue of Pinnacle Options:

- (a) The maximum number of securities to be issued: 601,748 Pinnacle Options.
- (b) The date or dates on or by which the Company will issue the securities: the securities will be issued no later than 3 months after the date of the meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue will occur on the same date.
- (c) The issue price of the Pinnacle Options: Pinnacle Options will be issued for nil consideration as free attaching options on the basis of one Pinnacle Option to every four Pinnacle Shares issued.
- (d) The names of the persons to whom the entity issued the securities: brokerage and corporate advisory services provider, Pinnacle, an unrelated party of the Company.
- (e) The terms of the securities: the Pinnacle Options will be exercisable at \$0.02 each and expire on 31 May 2021, and otherwise on the terms set out in SCHEDULE 3.
- (f) The use (or intended use) of the funds raised: no fund will be raised from the issue of the Pinnacle Options as they are issued as free attaching options to Pinnacle Shares.
- (g) A voting exclusion statement is included in the Notice.

12.3 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 8. This will allow the Company to issue securities to settle its debt whilst preserving the Company's 15% annual limit permitted by Listing Rule 7.1.

13 RESOLUTIONS 9, 10 AND 11 - ISSUE OF OPTIONS TO RELATED PARTIES - DIRECTORS

13.1 Introduction

The Company proposes to issue a total of 17,500,000 Director Options to Messrs Tony Sage (10,000,000 Director Options), Kenneth Keogh (5,000,000 Director Options) and Nicholas Sage (2,500,000 Director Options) (or their nominees). The primary purpose of the grant of the Director Options is to provide a performance linked incentive component in the remuneration package to motivate and reward the performance of the holders in their role as Directors in a manner that aligns the holders' interests with the Company and minimises cash spend.

The Director Options do not have any vesting conditions.

The proposed issue of securities to the Company's Directors or their nominees requires Shareholder approval under both Chapter 2E of the Corporations Act and Listing Rule 10.11.

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the company unless either:

- (a) the giving of the financial benefit falls within one of the exceptions to the provision; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

Related party is widely defined under the Corporations Act, and includes directors of a company. Financial benefit is defined broadly and includes benefits from the public company's subsidiaries. It is necessary to look at the economic and commercial substance and the effect of the transaction in determining the financial benefit. The Corporations Act requires that any consideration that is given is disregarded, even if the consideration is adequate.

13.2 Information required by Chapter 2E of the Corporations Act

For the purposes of section 219 of the Corporations Act and ASIC Regulatory Guide 76, the following information is provided to Shareholders to enable them to assess the merits of Resolutions 9 to 11:

- (a) The related parties to whom Resolutions 9 to 11 would permit the benefits to be given are:
 - (i) Tony Sage, who is a Director;
 - (ii) Kenneth Keogh, who is a Director; and

- (iii) Nicholas Sage, who is a Director.
- (b) The nature of the financial benefit is:
 - (i) 10,000,000 Director Options to Tony Sage (or his nominee);
 - (ii) 5,000,000 Director Options to Kenneth Keogh (or his nominee); and
 - (iii) 2,500,000 Director Options to Nicholas Sage (or his nominee).
- (c) Reasons for giving the benefit is set out in section 13.1 above.
- (d) The existing relevant interest of the Related Parties in securities of the Company are set out below:

Related Party	Shares	Options
Tony Sage	9,173,010	6,500,000 ¹
Kenneth Keogh	766,300	4,500,000 ¹
Nicholas Sage	Nil	1,500,000 ¹

¹ Unlisted Options exercisable at \$0.045 expiring 31 May 2020.

- (e) Total remuneration package

Related Party	Current Financial Year (\$)	Previous Financial year (\$)
Tony Sage	120,000	85,000
Kenneth Keogh	36,000	36,000
Nicholas Sage	36,000	36,000

- (f) Dilution

The Company's issued share capital will not change as a result of the issue of the Director Options to the Related Parties.

If the Director Options granted to the Related Parties are exercised, a total of 17,500,000 Shares would be allotted and issued. This will increase the number of Shares on issue from 457,034,953¹ to 474,534,953 (assuming no other Options are exercised, and no other Shares are issued) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of approximately 3.83%.

- (g) Valuation of the financial benefit to be given

¹ Being the total number of Shares on issue by the Company as at the date of this Notice.

The Director Options to be issued to the Related Parties have been valued by management. Using the theoretical Black & Scholes option model and based on the assumptions set out below, the Director Options were ascribed a value range as follows:

Valuation date	10 June 2019
Market price of Shares	1.8 cents
Exercise price	2.0 cents
Expiry date	31 May 2021
Risk-free rate	1.5%
Volatility	100%
Indicate value per Director Option	0.90 cents
Total value of Director Options	\$157,333 or \$0.009 per Director Option

Notes:

The valuation noted above is not necessarily the market price that the Director Options could be traded at and is not automatically the market prices for taxation purposes.

(h) Other Information

The Directors are not aware of any other information that is reasonably required by Shareholders to allow them to make a decision on whether it is in the best interests of the Company to pass Resolutions 9 to 11.

13.3 Information required by Listing Rule 10.13

For the purposes of Listing Rule 10.13, the following information is provided about the proposed issues:

- (a) The names of the persons to whom the securities will be issued:
- (i) Tony Sage, being a Director of the Company, or his nominee;
 - (ii) Kenneth Keogh, being a Director of the Company, or his nominee;
 - (iii) Nicholas Sage, being a Director of the Company, or his nominee.
- (b) The maximum number of Director Options to be issued to Related Parties is: 17,500,000 Director Options, allocated as follows:
- (i) 10,000,000 Director Options to Tony Sage, or his nominee;
 - (ii) 5,000,000 Director Options to Kenneth Keogh, or his nominee;

- (iii) 2,500,000 Director Options to Nicholas Sage, or his nominee.
- (c) The date by which the entity will issue the securities: the Director Options will be issued no later than 1 month after the date of the meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that the issue will occur on the same date.
- (d) The issue price of the securities and a statement of: the Director Options will be granted for nil cash consideration.
- (e) The terms of the issue: the terms of the Director Options are set out in SCHEDULE 2.
- (f) The intended use of the funds raised: no funds will be raised as they are issued for nil cash consideration. In the event of exercise of the Director Options, the funds raised will be used to meet the Company's financial needs at the time including for working capital.
- (g) A voting exclusion statement is included in the Notice.

13.4 Directors' recommendations

Tony Sage declines to make a recommendation to Shareholders in relation to Resolution 9 as he has a material personal interest in the outcome of Resolution 9. Tony Sage and his associates will not be entitled to vote on Resolution 9.

The Directors other than Tony Sage recommend that Shareholders vote in favour of Resolution 9 for the reasons set out in section 13.1.

Kenneth Keogh declines to make a recommendation to Shareholders in relation to Resolution 10 as he has a material personal interest in the outcome of Resolution 10. Kenneth Keogh and his associates will not be entitled to vote on Resolution 10.

The Directors other than Kenneth Keogh recommend that Shareholders vote in favour of Resolution 10 for the reasons set out in section 13.1.

Nicholas Sage declines to make a recommendation to Shareholders in relation to Resolution 11 as he has a material personal interest in the outcome of Resolution 11. Nicholas Sage and his associates will not be entitled to vote on Resolution 11.

The Directors other than Nicholas Sage recommend that Shareholders vote in favour of Resolution 11 for the reasons set out in section 13.1.

In forming their recommendations, each Director considered the experience of their co-Directors, the current market price of Shares, the current market practices when determining the number of Director Options to be granted as well as the exercise price and expiry date of those Director Options.

14 RESOLUTION 12 - ISSUE OF CONSULTANT OPTIONS TO BELLATRIX

14.1 Introduction

The Company proposes to issue 2,500,000 unlisted options to Bellatrix Corporate Pty Ltd (**Bellatrix**) (or its nominee) with an exercise price of \$0.02 expiring on 31 May 2021 for accounting and company secretarial services to be provided to the Company (**Consultant Options**).

14.2 Information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3, the following information is provided about the issue of Consultant Options:

- (a) The maximum number of securities to be issued: 2,500,000 Consultant Options.
- (b) The date or dates on or by which the Company will issue the securities: the securities will be issued no later than 3 months after the date of the meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue will occur on the same date.
- (c) The issue price of the Consultant Options will be issued for nil cash consideration for accounting and company secretarial services to be provided.
- (d) The names of the persons to whom the entity will issue the securities or the basis upon which those persons will be identified or selected: accounting and company secretarial services provider, Bellatrix (or its nominee), an unrelated party of the Company.
- (e) The terms of the securities: the Consultant Options will be exercisable at \$0.02 each and expire on 31 May 2021, and otherwise on the terms set out in SCHEDULE 3.
- (f) The use (or intended use) of the funds raised: no funds will be raised from the issue of the Consultant Options. Funds raised from exercising the Consultant Options will be used to meet the Company's financial needs at the time including for working capital.
- (g) A voting exclusion statement is included in the Notice.

14.3 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 12. This will allow the Company to issue securities whilst preserving the Company's 15% annual limit permitted by Listing Rule 7.1.

SCHEDULE 1 DEFINITIONS

In this Notice and Explanatory Memorandum:

ASX	means ASX Limited or the Australian Securities Exchange operated by ASX Limited, as the context requires.
Bellatrix	means Bellatrix Corporate Pty Ltd.
Board	means the board of Directors.
Chair or Chairperson	means the chair of the Company.
Constitution	means the constitution of the Company as amended.
Consultant	means Bellatrix.
Consultant Options	means 2,500,000 unlisted Options with an exercise price of \$0.02 expiring 31 May 2021 and otherwise on the terms in SCHEDULE 2.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth) as amended.
Director	means a director of the Company.
Director Options	means a total of 17,500,000 unlisted Options with an exercise price of \$0.02 expiring 31 May 2021 and otherwise on the terms in SCHEDULE 2.
Equity Securities	has the same meaning given in the Listing Rules.
Explanatory Memorandum	means this explanatory memorandum.
Listing Rule	means the listing rules of the ASX.
Meeting	means the meeting convened by this Notice (as adjourned from time to time).
Mercury	means Mercury Resources Group Pty Ltd.
Mercury Transaction	has the meaning given in section 7.1 of the Explanatory Memorandum.
Notice	means this notice of meeting.
Option	means an option to be issued a Share.
Pinnacle	means Pinnacle Corporate Finance Pty Ltd.

Pinnacle Options	means a total of 601,748 unlisted Options with an exercise price of \$0.02 expiring 31 May 2021 and otherwise on the terms in SCHEDULE 2.
Placement A	has the meaning given in section Error! Reference source not found. of the Explanatory Memorandum.
Placement B	has the meaning given in section Error! Reference source not found. of the Explanatory Memorandum.
Proxy Form	means the proxy form attached to this Notice.
Resolution	means a resolution set out in the Notice.
Securities	has the meaning given in the Listing Rules.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means a holder of a Share.
Trading Days	means a day determined by ASX to be a trading day in accordance with the Listing Rules.
VWAP	means volume weighted average price as defined in the Listing Rules.
WST	means Western Standard Time.

SCHEDULE 2 TERMS OF PLACEMENT A OPTIONS

The key terms of the Placement A Options are as follows:

- (a) Entitlement
Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
- (b) Exercise Price
Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.03 (Exercise Price).
- (c) Expiry Date
Each Option will expire at 5:00 pm (WST) 2 years from date of issue (Expiry Date). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) Exercise Period
The Options are exercisable at any time on or prior to the Expiry Date (Exercise Period).
- (e) Notice of Exercise
The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (Notice of Exercise) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
- (f) Exercise Date
A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (Exercise Date).
- (g) Timing of issue of Shares on exercise
Within 15 Business Days after the Exercise Date, the Company will:
 - (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company; and
 - (ii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.
- (h) Shares issued on exercise
Shares issued on exercise of the Options rank equally with the then issued Shares of the Company.
- (i) Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) Change in exercise price

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) Transferability

The options are not transferable without the consent of the Board.

(m) Unquoted

The Company will not apply for quotation of the Options.

SCHEDULE 3 TERMS OF PLACEMENT B OPTIONS, PINNACLE OPTIONS, DIRECTOR OPTIONS, AND CONSULTANT OPTOINS

The key terms of the Placement B Options, Pinnacle Options, Director Options, and Consultant Options are as follows:

- (a) Entitlement
Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
- (b) Exercise Price
Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.02 (Exercise Price).
- (c) Expiry Date
Each Option will expire at 5:00 pm (WST) on 31 May 2021 (Expiry Date). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) Exercise Period
The Options are exercisable at any time on or prior to the Expiry Date (Exercise Period).
- (e) Notice of Exercise
The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (Notice of Exercise) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
- (f) Exercise Date
A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (Exercise Date).
- (g) Timing of issue of Shares on exercise
Within 15 Business Days after the Exercise Date, the Company will:
 - (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company; and
 - (ii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.
- (h) Shares issued on exercise
Shares issued on exercise of the Options rank equally with the then issued Shares of the Company.
- (i) Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) Change in exercise price

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) Transferability

The options are not transferable without the consent of the Board.

(m) Unquoted

The Company will not apply for quotation of the Options.

SCHEDULE 4 TERMS OF CONSIDERATION OPTIONS

The terms of the issue of the Consideration Options are:

- (a) Each Option entitles the holder to one Share.
- (b) The exercise price for each Option is \$0.025.
- (c) The expiry date of the Options is 31 March 2022.
- (d) The Options may be exercised at any time prior to the expiry date, in whole or in part, upon payment of the exercise price per Option.
- (e) The Options will not be quoted and are transferable, subject to the Corporations Act.
- (f) The Company will provide to each Option holder a notice that is to be completed when exercising the Options (**Notice of Exercise**). Options may be exercised by the Option holder in whole or in part by completing the Notice of Exercise and forwarding the same to the Secretary of the Company to be received prior to the expiry date. The Notice of Exercise must state the number of Options exercised, the consequent number of Shares to be allotted and the identity of the proposed allottee. The Notice of Exercise by an Option holder must be accompanied by payment in full for the relevant number of Shares being subscribed, being an amount of the exercise price per Share.
- (g) All Shares issued upon the exercise of the Options will rank equally in all respects with the Company's then issued Shares. The Company will apply to the ASX for quotation of all Shares issued upon exercise of Options.
- (h) There are no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues or pro-rata issues of capital to Shareholders during the term of the Options. Thereby, the Option holder has no rights to a change in the exercise price of the Option or a change to the number of underlying securities over which the Option can be exercised and in the event of a bonus issue. The Company will ensure, for the purposes of determining entitlements to any issue, that Option holder will be notified of a proposed issue after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in such issues.
- (i) If from time to time on or prior to the Expiry Date the Company makes a bonus issue of securities to holders of Shares in the Company ("Bonus Issue"), then upon exercise of his or her Options a holder will be entitled to have issued to him or her (in addition to the Shares which he or she is otherwise entitled to have issued to him or her upon such exercise) the number of securities which would have been issued to him or her under that Bonus Issue if the Options had been exercised before the record date for the Bonus Issue.
- (j) In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of the Company, all rights of the Option


holder shall be reconstructed (as appropriate) in accordance with the ASX Listing Rules.



ACN 112 731 638

LODGE YOUR VOTE

 **ONLINE**
www.linkmarketservices.com.au

 **BY MAIL**
Fe Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

 **BY FAX**
+61 2 9287 0309

 **BY HAND**
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138

 **ALL ENQUIRIES TO**
Telephone: + 61 1300 554 474

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **9:00am (WST) on Tuesday, 6 August 2019**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:

 **ONLINE**
www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the reverse of this Proxy Form).

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as 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's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares 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
- return both forms together.

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, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE EXTRAORDINARY GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

NAME SURNAME
 ADDRESS LINE 1
 ADDRESS LINE 2
 ADDRESS LINE 3
 ADDRESS LINE 4
 ADDRESS LINE 5
 ADDRESS LINE 6



X9999999999

PROXY FORM

I/We being a member(s) of I/We being a member(s) of Fe Limited and entitled to attend and vote hereby appoint: and entitled to attend and vote

STEP 1

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Extraordinary General Meeting of the Company to be held at **9:00am (WST) on Thursday, 8 August 2019 at 32 Harrogate Street, West Leederville, Western Australia 6007** (the Meeting) and at any postponement or adjournment of the Meeting.

Important for Resolutions 9, 10 & 11: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 9, 10 & 11, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

STEP 2

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Ratification of Prior Issue of Placement A Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Issue of Options to a Related Party – Tony Sage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Ratification of Prior Issue of Placement B Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Issue of Options to a Related Party – Kenneth Keogh	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval to Issue Further Placement B Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11 Issue of Options to a Related Party – Nicholas Sage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval to Issue Placement B Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12 Issue of Consultant Options to Bellatrix	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Ratification of Prior Issue of Consideration Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
6 Approval to Issue Consideration Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
7 Ratification of Prior Issue of Shares to Pinnacle	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
8 Approval to Issue Options to Pinnacle	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				



* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

FEL PRX1901D

