
ERRAWARRA RESOURCES LIMITED
ACN 155 472 438
NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 11.00am (WST)
DATE: Thursday, 15 October 2020
PLACE: Ground Floor, London House
216 St Georges Terrace
Perth WA 6000

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

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 11.00am (WST) on 13 October 2020.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial period ended 30 June 2020 together with the declaration of the directors, the directors' report and the auditor's report (available at www.errawarra.com/financials.php).

2. RESOLUTION 1 – RE-ELECTION OF MR JONATHAN MURRAY

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

"That, for the purposes of clause 11.3 of the Company's constitution and for all other purposes, Mr Jonathan Murray retires by rotation, and being eligible, is re-elected as a Director."

3. RESOLUTION 2 – CONSOLIDATION OF CAPITAL

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

"That, subject to and conditional upon the passing of all Essential Resolutions, pursuant to section 254H of the Corporations Act and for all other purposes, the issued capital of the Company be consolidated on the basis that every 9.53434404 Shares be consolidated into 1 Share and, where this Consolidation results in a fraction of a Share being held, the Company be authorised to round that fraction to the nearest whole Shares."

4. RESOLUTION 3 – REPLACEMENT OF CONSTITUTION

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

"That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt a new constitution in its place in the form as signed by the chairman of the Meeting for identification purposes."

Dated: 16 September 2020

By order of the Board



Mindy Ku
Company Secretary

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

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

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

Shareholders and their proxies should be aware 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.

Voting in person

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

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

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- 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 one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 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.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9322 3383.

GLOSSARY

\$ means Australian dollars.

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

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Chair means the chair of the Meeting.

Company means Errawarra Resources Limited (ACN 155 472 438).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Proxy Form means the proxy form accompanying the Notice.

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

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

Shareholder means a registered holder of a Share.

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

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the 2020 Annual General Meeting.

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether to pass the Resolutions.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act and Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2020 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.errawarra.com/financials.php.

2. RESOLUTION 1 – RE-ELECTION OF DIRECTOR

Clause 11.3 of the Constitution requires that if the Company has three or more Directors, one third (or the number nearest one-third) of those Directors must retire at each annual general meeting, provided always that no Director (except a Managing Director) shall hold office for a period more than 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

The Company currently has three Directors and accordingly one must retire. A Director who retires by rotation under clause 11.3 of the Constitution is eligible for re-election.

The Board considers that the Director seeking re-election demonstrate commitment to his role, that the Director continues to make a valuable contribution to the Board and that the Board as a whole has an appropriate mix of skills, backgrounds, knowledge, experience and diversity to operate effectively. **Accordingly, the Board recommends to shareholders the re-election of the retiring Director who offers himself for re-election.**

The biographical details, skills and experience of the Directors standing for re-election is set out below.

Mr Jonathan Murray retires by rotation and seeks re-election.

Mr Murray is a lawyer with 20 years experience in a wide variety of corporate and commercial matters for local and international listed and unlisted companies. Mr Murray is a senior partner at law firm Steinepreis Paganin, based in Perth, Western Australia.

His specialties include advising on initial public offers and secondary market capital raisings, all forms of commercial acquisitions and divestments and providing general corporate and strategic advice.

Mr Murray graduated with a Bachelor of Laws and a Bachelor of Commerce from Murdoch University in Western Australia and is a Member of FINSIA.

The Board recommends the re-election of Mr Murray.

3. BACKGROUND TO RESOLUTIONS 2 AND 3

The Company intends to prepare a prospectus for an initial public offer of fully paid ordinary shares in the capital of the Company (**Shares**) to pursue a listing on the ASX (**IPO**).

Pursuant to this Notice of Meeting, the Company is seeking Shareholder approval to:

- (a) convert all of its Shares into a smaller number to more accurately reflect the enterprise value of the existing business (on a pre-IPO basis) at the proposed IPO issue price (Resolution 2).
- (b) to adopt a constitution more suitable for an ASX listed entity (Resolution 3).

4. RESOLUTION 2 – CONSOLIDATION OF CAPITAL

4.1 General

Section 254H of the Corporations Act provides that a company may, by resolution passed in a general meeting, convert all or any of its shares into a larger or smaller number.

Resolution 2 seeks shareholder approval to consolidate the number of Shares on issue on a 9.53434404 for 1 basis (**Consolidation**). If Resolution 2 is passed, the number of Shares on issue will be reduced from 20,857,471 to 2,187,643 (subject to rounding).

4.2 Reasons for the Consolidation

The purpose of the Consolidation is to arrive at a capital structure of the Company deemed suitable for the Company's proposed initial public offering and sufficiently attractive to new investors thereby funding the Company's growth plans whilst ensuring that sufficient liquidity is maintained in the secondary market for the Company's Shares.

The Directors unanimously recommend the Consolidation to Shareholders.

4.3 Fractional entitlements

Not all Shareholders will hold that number of Shares which can be evenly divided in the Consolidation. Where a fractional entitlement occurs, the Company will round that fraction to the nearest whole Share.

4.4 Taxation

It is not considered that any taxation implications will exist for Shareholders arising from the Consolidation. However, Shareholders are advised to seek their own tax advice on the effect of the Consolidation and neither the Company, nor its advisers, accept any responsibility for the individual taxation implications arising from the Consolidation.

4.5 Share Certificates

From the date two business days after the Consolidation is approved by Shareholders, all certificates for Shares will cease to have any effect, except as evidence of entitlement to a certain number of Shares on a post-Consolidation basis.

After the Consolidation becomes effective, the Company will arrange for new Share certificates to be issued to holders of those Shares.

It is the responsibility of each Shareholder to check the number of Shares held prior to disposal or exercise (as the case may be).

4.6 Effect on capital structure

The effect which the Consolidation will have on the Company's capital structure is set out in the table below.

Capital Structure	Shares	Options
Pre-Consolidation Shares	20,857,741	Nil
Post 9.53431789:1 Consolidation of Securities (Resolution 2)	2,187,643	Nil
Shares issued on conversion of debts owed by the Company to various creditors ¹	2,812,357	Nil
Total	5,000,000	Nil

Notes:

1. The Company proposes to issue a total of 2,812,351 Shares at a deemed issue price of \$0.16 per Share to various lenders and creditors in satisfaction of an aggregate of \$454,399 (including interest) owed by the Company. Further details of the proposed debt to equity conversions are set out below:
 - (a) Hannans Ltd (ACN 099 862 129) (**Hannans**) will have a sum of \$110,015 converted into 687,594 Shares. Mr Damian Hicks, Mr Markus Bachmann and Mr Jonathan Murray are directors of both the Company and Hannans, however Hannans is not a related party of the Company as Messrs Hicks, Bachmann and Murray do not have a controlling interest in Hannans;
 - (b) Rock Biz Pty Ltd (ACN 066 330 578) (**Rock Biz**), will have a sum of \$57,500 converted into 359,375 Shares. Rock Biz is a related party of the Company by virtue of being controlled by Company director, Damian Hicks. The Company does not intend to seek separate shareholder approval for the issue as the issue is considered by the Board (with Mr Hicks abstaining) to be on arm's length terms, for the purposes of section 210 of the Corporations Act;
 - (c) Equity & Royalty Investments Ltd (ACN 129 549 435) (**Equity & Royalty**) will have a sum of \$65,022 converted into 406,388 Shares. Mr Damian Hicks is a director of both the Company and Equity & Royalty, however Equity & Royalty is not a related party as Mr Hicks does not have a controlling interest in Equity & Royalty;
 - (d) Ms Andrea Murray will have a sum of \$146,861 converted into 971,881 Shares. Ms Murray is a related party of the Company as she is the spouse of one of Company's directors, Mr Jonathan Murray. The Company does not intend to seek separate shareholder approval for the issue as the issue is considered by the Board (with Mr Murray abstaining) to be on arm's length terms, for the purposes of section 210 of the Corporations Act; and
 - (e) Corporate Board Services Pty Ltd (ACN 147 830 742) (**Corporate Board Services**) will have a sum of \$70,579 converted into 441,119 Shares. Corporate Board Services is a related party of the Company by virtue of being controlled by the spouse of Company director, Damian Hicks. The Company does not intend to seek separate shareholder approval for the issue as the issue is considered by the Board (with Mr Hicks abstaining) to be on arm's length terms, for the purposes of section 210 of the Corporations Act.

4.7 Consolidation Timeline

In accordance with section 254H(2), if Shareholders vote in favour of Resolution 2, the Consolidation will take effect on conclusion of this Meeting.

5. RESOLUTION 3 – REPLACEMENT OF CONSTITUTION

5.1 General

A company may modify or repeal its constitution or a provision of its constitution by special resolution of shareholders.

As noted above, the Company is intending to undertake an initial public offering of its securities in conjunction with an application for listing on the ASX.

Resolution 3 is a special resolution which seeks shareholder approval to adopt a new constitution (**Proposed Constitution**), which is appropriate for a listed entity and complies with the ASX Listing Rules.

Due to the amount of changes required for the Company's current Constitution to become ASX Listing Rule compliant, the Directors believe that it is preferable in the circumstances to replace the existing Constitution with the Proposed Constitution rather than to amend a multitude of specific provisions.

It is not practicable to list all the material changes in this Explanatory Statement when comparing the Company's current Constitution to the Proposed Constitution. Shareholders are invited to contact the Company if they have any queries or concerns. For this purpose, Shareholders wishing to obtain a copy of the Proposed Constitution should contact the Company.

ERRAWARRA RESOURCES LTD

ACN 155 472 438

PROXY FORM

2020 ANNUAL GENERAL MEETING

Shareholder name and address

Change of address. If incorrect, mark this box and make the correction in the space below.

Appoint a Proxy to Vote on Your Behalf

I/We being a Member of Errawarra Resources Ltd entitled to attend and vote at the Meeting, hereby appoint

the Chairman
of the Meeting OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Annual General Meeting to be held at 11.00am (WST), on Thursday, 15 October 2020 at Ground Floor, London House, 216 St Georges Terrace, Perth WA 6000, and at any adjournment thereof.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution.

Voting on Business of the Annual General Meeting

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

		FOR	AGAINST	ABSTAIN
Resolution 1	Re-election of Mr Jonathan Murray	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Consolidation of Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Replacement of Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

Signature of Shareholder(s)

NOTE: This section must be completed.

Individual or Shareholder 1

Sole Director and
Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact
name

Contact
number

Date

ERRAWARRA RESOURCES LTD

ACN 155 472 438

Instructions for completing Proxy Form

1. **Appointing a proxy:** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **Direction to vote:** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **Signing instructions:**
 - **Individual:** Where the holding is in one name, the Shareholder must sign.
 - **Joint holding:** Where the holding is in more than one name, all of the Shareholders should sign.
 - **Power of attorney:** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
 - **Companies:** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **Attending the Meeting:** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **Lodgement of Proxy Form:** Proxy forms can be lodged by completing and signing the enclosed Proxy Form and returning by:
 - (a) email to the Company at info@errawarra.com; or
 - (b) post to Errawarra Resources Ltd, PO Box 1227, West Perth WA 6872;so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy Forms received later than this time will be invalid.
