



Notice of Annual General Meeting

The Annual General Meeting of BBX Minerals Limited will be held at the offices of the Company, Level 1, 35 Havelock Street, West Perth, 6005, on 25 November 2015 at 11.30am (WST).

This Notice of Annual 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 08 6555 2955 if you wish to discuss any matter concerning the Meeting.

BBX Minerals Limited
ABN: 82 089 221 634

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the Shareholders of BBX Minerals Limited will be held at the offices of the Company, Level 1, 35 Havelock Street, West Perth, 6005, on 25 November 2015 at 11.30am (WST).

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 11.30am on 23 November 2015.

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

Agenda

1 ANNUAL REPORT

To receive and consider the financial statements of the Company and the reports of the Directors and Auditors for the financial year ended 30 June 2015.

2 RESOLUTION 1 - REMUNERATION REPORT (NON-BINDING)

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

“That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, Shareholders adopt the Remuneration Report set out in the Directors’ Report for the year ending 30 June 2015.”

A voting prohibition statement is set out below.

3 RESOLUTION 2 - RE-ELECTION OF DIRECTOR - ALASTAIR SMITH

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

“That Alastair Smith, who retires by rotation in accordance with the Company’s Constitution and, offers himself for re-election, be re-elected as a Director.”

4 RESOLUTION 3 - APPROVAL TO ISSUE CONVERTIBLE NOTES

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

“That for the purposes of Listing Rule 7.1 and for all other purposes, Shareholder approval is given for the Company to issue up to 25,000,000 Convertible Notes to Drake Private Investments LLC, or its nominee, on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

5 RESOLUTION 4 - RATIFICATION OF PRIOR ISSUE OF SECURITIES

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 14,880,000 Shares and 3,720,000 Options on the terms and conditions in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

6 RESOLUTION 5 - APPROVAL TO ISSUE OPTIONS

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

“That for the purposes of Listing Rule 7.1 and for all other purposes, Shareholder approval is given for the Company to issue up to 7,925,000 Options to Mr Toby Chandler, or his nominee, on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

7 RESOLUTION 6 - RATIFICATION OF PRIOR ISSUE OF SECURITIES

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 1,000,000 Shares and 250,000 Options on the terms and conditions in the Explanatory Memorandum.”

A voting prohibition statement is set out below

8 RESOLUTION 7 - RATIFICATION OF PRIOR ISSUE OF OPTIONS

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the grant of 7,500,000 Options on the terms and conditions in the Explanatory Memorandum.”

A voting prohibition statement is set out below

9 RESOLUTION 8 - ISSUE OF SHARES

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

“That for the purposes of Listing Rule 7.1 and for all other purposes, Shareholder approval is given for the Company to issue up to 50,000,000 Shares on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

10 RESOLUTION 9 - ISSUE OF SHARES

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

“That for the purposes of Listing Rule 7.1 and for all other purposes, Shareholder approval is given for the Company to issue up to 1,148,374 Shares on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

11 RESOLUTION 10 - ISSUE OF SHARES TO RELATED PARTY - MICHAEL SCHMULIAN

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

“That for the purposes of Chapter 2E of the Corporations Act, Listing Rule 10.11 and for all other purposes, Shareholder approval is given for the Company to issue up to 1,000,000 Shares to Michael Schmulian, or his nominee(s), on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

12 RESOLUTION 11 - ISSUE OF SHARES TO RELATED PARTY - ALASTAIR SMITH

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

“That for the purposes of Chapter 2E of the Corporations Act, Listing Rule 10.11 and for all other purposes, Shareholder approval is given for the Company to issue up to 1,000,000 Shares to Alastair Smith, or his nominee(s), on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

13 RESOLUTION 12 - ISSUE OF SHARES TO RELATED PARTY - WILLIAM DIX

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

“That for the purposes of Chapter 2E of the Corporations Act, Listing Rule 10.11 and for all other purposes, Shareholder approval is given for the Company to issue up to 1,000,000 Shares to William Dix, or his nominee(s), on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

14 RESOLUTION 13 - ISSUE OF INCENTIVE OPTIONS TO RELATED PARTY - MICHAEL SCHMULIAN

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

“That for the purposes of Chapter 2E of the Corporations Act, Listing Rule 10.11 and for all other purposes, Shareholder approval is given for the Company to issue up to 4,000,000 Incentive Options to Michael Schmulian, or his nominee(s), on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

15 RESOLUTION 14 - ISSUE OF INCENTIVE OPTIONS TO RELATED PARTY - ALASTAIR SMITH

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

“That for the purposes of Chapter 2E of the Corporations Act, Listing Rule 10.11 and for all other purposes, Shareholder approval is given for the Company to issue up to 4,000,000 Incentive Options to Alastair Smith, or his nominee(s), on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

16 RESOLUTION 15 - ISSUE OF INCENTIVE OPTIONS TO RELATED PARTY - WILLIAM DIX

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

“That for the purposes of Chapter 2E of the Corporations Act, Listing Rule 10.11 and for all other purposes, Shareholder approval is given for the Company to issue up to 4,000,000 Incentive Options to William Dix, or his nominee(s), on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

17 RESOLUTION 16 - ISSUE OF SHARES TO SIMON ROBERTSON

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

“That for the purposes of Listing Rule 7.1 and for all other purposes, Shareholder approval is given for the Company to issue up to 500,000 Shares to Simon Robertson or his nominee on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

18 RESOLUTION 17 - ISSUE OF SHARES TO JEFF MCKENZIE

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

“That for the purposes of Listing Rule 7.1 and for all other purposes, Shareholder approval is given for the Company to issue up to 2,500,000 Shares to Jeff Mckenzie or his nominee on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

19 RESOLUTION 18 - ISSUE OF SHARES TO ANTONIO DE CASTRO

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

“That for the purposes of Listing Rule 7.1 and for all other purposes, Shareholder approval is given for the Company to issue up to 2,500,000 Shares to Antonio De Castro or his nominee on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

20 RESOLUTION 19 - ISSUE OF INCENTIVE OPTIONS TO SIMON ROBERTSON

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

“That for the purposes of Listing Rule 7.1 and for all other purposes, Shareholder approval is given for the Company to issue up to 1,000,000 Incentive Options to Simon Robertson or his nominee on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

21 RESOLUTION 20 - ISSUE OF INCENTIVE OPTIONS TO JEFF MCKENZIE

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

“That for the purposes of Listing Rule 7.1 and for all other purposes, Shareholder approval is given for the Company to issue up to 4,000,000 Incentive Options to Jeff Mckenzie or his nominee on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

22 RESOLUTION 21 - ISSUE OF INCENTIVE OPTIONS TO ANTONIO DE CASTRO

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

“That for the purposes of Listing Rule 7.1 and for all other purposes, Shareholder approval is given for the Company to issue up to 4,000,000 Incentive Options to Antonio De Castro or his nominee on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

23 RESOLUTION 22 - APPROVAL OF 10% PLACEMENT FACILITY

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

“That, for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.”

A voting prohibition statement is set out below.

24 VOTING PROHIBITION AND EXCLUSION STATEMENT

Corporations Act

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

Resolution	Persons Excluded from Voting
Resolution 1 - Remuneration Report (Non-Binding)	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of the following persons:</p> <ul style="list-style-type: none"> (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or (b) a Closely Related Party of such member. <p>However, a person described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none"> (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or (b) the voter is the chair of the meeting and the appointment of the chair as proxy: <ul style="list-style-type: none"> (i) does not specify the way the proxy is to vote on this Resolution; and (ii) expressly authorises the chair to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

Listing Rule 14.11

Under Listing Rule 14.11, the Company will disregard any votes cast on the following Resolutions by the following persons:

Resolution	Persons excluded from voting
Resolutions 3, 5, 8, 9, 16-21 - Issue of Securities	<p>A person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity as a holder of ordinary securities, if the resolution is passed, and any associate of that person.</p>
Resolutions 4, 6 and 7 -	<p>A person who participated in the issue and any associate of that person.</p>

Resolution	Persons excluded from voting
Ratification of prior issue of securities	
Resolutions 10 to 15 - Issue of Securities to Related Parties	<p>A person who is to receive Securities in relation to the Company and any associate of that person.</p> <p>The Company will also disregard any votes cast on Resolutions 10 to 15 by a member of the Key Management Personnel or their Closely Related Parties as proxy for another person where the proxy form does not specify how the proxy is to vote, with the exception that votes cast by the Chairman as proxy appointed in writing, in accordance with a direction on the proxy form to vote as the proxy decides, will not be excluded.</p>
Resolution 22 - Approval of 10% Placement Facility	A person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity as a holder of ordinary securities, if the Resolution is passed, and any associate of that person.

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

By order of the Board of Directors



Simon Robertson
Company Secretary
BBX Minerals Limited
20 October 2015

BBX Mineral Limited
ABN: 82 089 221 634

Explanatory Memorandum

1 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 the offices of the Company, Level 1, 35 Havelock Street, West Perth, 6005, on 25 November 2014 at 11.30am (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 Explanatory Memorandum.

Please contact the Company Secretary on 08 6555 2955 if you wish to discuss any matter concerning the Meeting.

2 ACTION TO BE TAKEN BY SHAREHOLDERS

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

2.1 Proxies

All Shareholders are invited and encouraged to attend the Meeting. If a Shareholder is unable to attend in person, they can appoint a representative (or 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. 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 11.30am on 23 November 2015. Any Proxy Form received after that time will not be valid for the Meeting.

A Proxy Form may be lodged in the following ways:

By Mail	PO Box 223, West Perth WA 6872
By Facsimile	+61 8 9321 2337
By Hand	Automic Registry Services Suite 1a, Level 1, 7 Ventnor Avenue West Perth WA 6005

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

2.2 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 (www.automic.com.au).

2.3 Eligibility to vote

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 4.00pm (WST) on 23 November 2015.

3 ANNUAL REPORT

There is no requirement for Shareholders to approve the Annual Report.

Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report for the financial year ended 30 June 2015 which is available on the ASX platform at www.asx.com.au;
- (b) ask questions about or make comment on the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the auditor's report.

The chair of the Meeting will allow reasonable opportunity for the Shareholders as a whole at the Meeting to ask the auditor or the auditor's representative questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the auditor's report;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit.

In addition to taking questions at the Meeting, written questions to the Company's auditor about:

- (a) the content of the auditor's report to be considered at the Meeting; and
- (b) the conduct of the audit of the annual financial report to be considered at the Meeting,

may be submitted no later than 5 business days before the Meeting to the company Secretary at the Company's registered office.

4 RESOLUTION 1 - REMUNERATION REPORT (NON-BINDING)

The Remuneration Report is in the Directors' Report section of the Company's Annual Report.

By way of summary, the Remuneration Report:

- (a) explains the Company's remuneration policy and the process for determining the remuneration of its Directors and executive officers;
- (b) addresses the relationship between the Company's remuneration policy and the Company's performance; and
- (c) sets out remuneration details for each Director and each of the Company's executives and group executives named in the Remuneration Report for the financial year ended 30 June 2015.

Section 250R(2) of the Corporations Act requires companies to put a resolution to their members that the Remuneration Report be adopted. However, the vote on this resolution is advisory only and does not bind the Board or the Company. The Board will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies.

The Chairman will give Shareholders a reasonable opportunity to ask questions about or to make comments on the Remuneration Report.

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution that a further meeting is held at which all of the Company's Directors (other than the Managing Director) must go up for re-election (**Spill Resolution**).

If more than 50% of votes cast are in favour of the Spill Resolution, the Company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the Company's annual financial report for the most recent financial year) 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.

Less than 25% of the votes cast at the Company's 2014 annual general meeting were cast against the 2014 remuneration report. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting

5 RESOLUTION 2 - RE-ELECTION OF DIRECTOR - ALASTAIR SMITH

5.1 Introduction

The Company's Constitution requires that one-third of the Directors retire by rotation at each annual general meeting and that Directors appointed by the Board hold office until the next annual general meeting:

In accordance with rule 6.1(f) of the Constitution Alastair Smith retires from office at this Meeting and offers himself for re-election.

Mr Smith is director of Blackwood Equities (NSW) Pty Ltd a Sydney based boutique equity Capital markets and brokerage firm. For 8 years prior to joining Blackwood's, Mr Smith worked for 2 large Australian based resource focused stock broking firms and a global accounting firm in both London and Australia.

5.2 Directors' recommendation

The Board (excluding Mr Smith) recommends that Shareholders vote in favour of Resolution 2.

6 RESOLUTIONS 3, 4 AND 5

6.1 Introduction

On 7 October 2015, the Company announced that it had raised \$398,000 through a loan facility provided by Drake Private Investments LLC of \$250,000 (**Loan Facility**) and a private placement of 14,880,000 Shares and 3,720,000 options exercisable at A\$0.0125 expiring on or before 1 March 2018 (**Options**) (**Placement**) to raise \$148,000.

Shareholder approval pursuant to Listing Rule 7.1 is being sought for the Loan Facility. Details of the Loan Facility, the subject of Resolution 3, are set out in section 6.2 below.

Shareholder approval under Listing Rule 7.4 is being sought to ratify the Placement. Details of the Placement, the subject of Resolution 4, are set out in section 6.3 below.

Shareholder approval pursuant to Listing Rule 7.1 is being sought for the issue of Options to Mr Toby Chandler in consideration for services provided in conjunction with the Placement and the Loan Facility. Details of the Options, the subject of Resolution 5 are set out in section 6.4 below.

6.2 RESOLUTION 3 - APPROVAL TO ISSUE CONVERTIBLE SECURITIES

Resolution 3 seeks Shareholder approval to issue 25,000,000 Convertible Notes.

Listing Rule 7.1 limits the number of securities a company can issue in a 12 month period to 15% of its issued share capital, except for certain issues, including where first approved by Shareholders. The effect of passing Resolution 3 will be to allow the Directors to issue securities in accordance with the Resolution without those securities being included in the 15% limit.

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 is 25,000,000 Convertible Notes. Each Convertible Note will convert into one Share and for every 2 Shares issued on conversion, one Option.
- (b) The Convertible Notes 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).
- (c) The notes have a face value of \$0.01 each and mature on 31 December 2016.

- (d) It is intended that the Convertible Notes will be issued to Drake Private Investments LLC, who is the Company's major shareholder.
- (e) The terms of the Convertible Notes are set out in Schedule 2. Upon conversion of the Convertible Notes, the Shares to be issued are in the same class as the Company's existing quoted fully paid ordinary shares and the terms of the Options are set out in Schedule 3.
- (f) The intended use of the funds raised is for general working capital including possible further acquisition payments for tenements or companies holding tenements in Brazil and South America.
- (g) The issue will occur progressively.
- (h) A voting exclusion statement is included in the Notice.

Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 3. 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.

Resolution 3 is an ordinary resolution. The Chairman intends to exercise all available proxies in favour of Resolution 3.

6.2 RESOLUTION 4 - RATIFICATION OF PRIOR ISSUE OF SHARES AND OPTIONS

On 6 October 2015 the Company issued 14,880,000 Shares and 3,720,000 Options to sophisticated investors.

The issue of securities has restricted the Company's ability to issue further equity securities without shareholder approval. Shareholder approval is sought pursuant to ASX Listing Rule 7.4 to reinstate the Company's capacity to issue equity securities representing up to 15% of its issued ordinary capital, if required, without prior shareholder approval during the next 12 months.

Information required by Listing Rule 7.5

For the purposes of ASX Listing Rule 7.5, the following information is provided to shareholders in relation to the issue of Shares:

- (a) The total number of Shares issued was 14,880,000.
- (b) The total number of Options issued was 3,720,000.
- (c) The Shares were issued at an issue price of \$0.01 per Share. The Options were issued for nil cash consideration.
- (d) The Shares issued were in the same class of the Company's existing quoted fully paid ordinary shares. The terms of the Options are set out at Schedule 3. The Company intends to apply for quotation of the Options when it satisfies the conditions for quotation.
- (e) The Shares and Options were issued to sophisticated investors who are unrelated parties of the Company.

- (f) A total of \$148,800 was raised from the issue. The funds will be used for working capital to enable the drilling programme to be extended at Juma East.
- (g) A voting exclusion statement in respect of Resolution 4 is set out in the Notice.

Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 4. This will restore the 15% annual limit permitted by Listing Rule 7.1 and allow the Company to issue further securities without Shareholder approval.

Resolution 4 is an ordinary resolution. The Chairman intends to exercise all available proxies in favour of Resolution 4.

6.3 RESOLUTION 5 - APPROVAL TO ISSUE OPTIONS

Resolution 5 seeks Shareholder approval to issue 7,925,000 Options to Mr Toby Chandler, or his nominee, in consideration for services provided in conjunction with the Placement and the Loan Facility.

Listing Rule 7.1 limits the number of securities a company can issue in a 12 month period to 15% of its issued share capital, except for certain issues, including where first approved by Shareholders. The effect of passing Resolution 5 will be to allow the Directors to issue securities in accordance with the Resolution without those securities being included in the 15% limit.

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 is 7,925,000 Options.
- (b) The 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).
- (c) The Options will be issued for nil cash consideration. Accordingly, no funds are being raised by the issue.
- (d) The Options will be issued to Mr Toby Chandler, or his nominee.
- (e) The terms of the Options are set out in Schedule 3.
- (f) The issue will occur on the one date.
- (g) A voting exclusion statement in respect of Resolution 5 is set out in the Notice.

Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 5. This will restore the 15% annual limit permitted by Listing Rule 7.1 and allow the Company to issue further securities without Shareholder approval.

Resolution 5 is an ordinary resolution. The Chairman intends to exercise all available proxies in favour of Resolution 5.

7 RESOLUTION 6 - RATIFICATION OF PRIOR ISSUE OF SECURITIES

7.1 Introduction

On 9 September 2015 the Company issued 1,000,000 Shares and 250,000 Options to corporate services providers.

The issue of securities has restricted the Company's ability to issue further equity securities without shareholder approval. Shareholder approval is sought pursuant to ASX Listing Rule 7.4 to reinstate the Company's capacity to issue equity securities representing up to 15% of its issued ordinary capital, if required, without prior shareholder approval during the next 12 months.

7.2 Information required by Listing Rule 7.5

For the purposes of ASX Listing Rule 7.5, the following information is provided to shareholders in relation to the issue of Shares:

- (a) The total number of Shares issued was 1,000,000.
- (b) The total number of Options issued was 250,000.
- (c) The securities were issued for nil cash consideration to Toby Chandler in return for the provision of corporate services to the Company. Accordingly, no funds were raised from the issue.
- (d) The Shares issued were in the same class of the Company's existing quoted fully paid ordinary shares. The terms of the Options are set out at Schedule 3.
- (e) A voting exclusion statement in respect of Resolution 6 is set out in the Notice.

7.3 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 6. This will restore the 15% annual limit permitted by Listing Rule 7.1 and allow the Company to issue further securities without Shareholder approval.

Resolution 6 is an ordinary resolution. The Chairman intends to exercise all available proxies in favour of Resolution 6.

8 RESOLUTION 7 - RATIFICATION OF PRIOR ISSUE OF OPTIONS

8.1 Introduction

On 22 September 2015, the Company granted 7,500,000 Options exercisable at \$0.0125 on or before 1 March 2018 to Drake Private Investment LLC as sub

underwriter to the rights issue conducted by the Company pursuant to a prospectus lodged with ASIC on 19 March 2015.

The grant of Options has restricted the Company's ability to issue further equity securities without Shareholder approval. Shareholder approval is sought pursuant to ASX Listing Rule 7.4 to reinstate the Company's capacity to issue equity securities representing up to 15% of its issued ordinary capital, if required, without prior Shareholder approval.

8.2 Information required by Listing Rule 7.5

For the purposes of ASX Listing Rule 7.5, the following information is provided to Shareholders in relation to the grant of Options:

- (a) The total number of Options granted was 7,500,000.
- (b) The Options were granted to Drake Private Investment LLC.
- (c) The Options were granted as consideration for Drake Private Investment LLC acting as sub underwriter to the rights issue conducted by the Company pursuant to the prospectus lodged with ASIC on 19 March 2015.
- (d) The terms and conditions of the Options granted are set out in Schedule 3.
- (e) A voting exclusion statement in respect of Resolution 7 is set out in the Notice.

8.3 Directors' Recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 7. This will restore the 15% annual limit permitted by Listing Rule 7.1 and allow the Company to issue further securities without Shareholder approval.

Resolution 7 is an ordinary resolution. The Chairman intends to exercise all available proxies in favour of Resolution 7.

9 RESOLUTION 8 - ISSUE OF SHARES

9.1 Introduction

Resolution 8 seeks Shareholder approval to issue 50,000,000 Shares.

Listing Rule 7.1 limits the number of securities a company can issue in a 12 month period to 15% of its issued share capital, except for certain issues, including where first approved by Shareholders. The effect of passing Resolution 8 will be to allow the Directors to issue securities in accordance with the Resolution without those securities being included in the 15% limit.

9.2 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 is 50,000,000.
- (b) 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).
- (c) The issue price of the securities is yet to be determined but will be no less than 80% average market price for securities calculated over the last 5 days on which sales in the securities were recorded before the day on which the issue was made or, if there is a disclosure document relating to the issue, over the last 5 days on which sales in the securities were recorded before the date of the disclosure document.
- (d) It is intended that the securities will be issued to investors identified by the Directors, and who are unrelated parties of the Company.
- (e) The Shares to be issued are in the same class of the Company's existing quoted fully paid ordinary shares.
- (f) The intended use of the funds raised is general working capital including possible further acquisition payments for tenements or companies holding tenements in Brazil and South America.
- (g) The issue will occur progressively.
- (h) A voting exclusion statement is included in the Notice.

9.3 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 8. 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.

Resolution 8 is an ordinary resolution. The Chairman intends to exercise all available proxies in favour of Resolution 8.

10 RESOLUTION 9 - ISSUE OF SHARES

10.1 Introduction

Resolution 9 seeks Shareholder approval to issue up to a maximum of 1,148,374 Shares to Energold Drilling Corp of Canada (**Energold**).

As announced on 31 August 2015, the Company has entered into a drilling contract with Energold to drill its Guida and Plato prospects at its Juma East project.

Under the drilling contract, the Company proposes to issue Energold with 117,187 Shares on mobilisation and 117,187 shares on demobilisation. In addition, for each metre drilled, a total of 914 shares are proposed to be issued. All Shares will be issued on completion of the drilling programme.

Listing Rule 7.1 limits the number of securities a company can issue in a 12 month period to 15% of its issued share capital, except for certain issues, including where first approved by Shareholders. The effect of passing Resolution 9 will be to allow the Directors to issue securities in accordance with the Resolution without those securities being included in the 15% limit.

10.2 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 proposed to be issued is 1,148,374 Shares.
- (b) 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).
- (c) The Shares will be issued for nil cash consideration. Accordingly, no funds will be raised by the issue.
- (d) It is intended that the Shares will be issued to Energold as consideration for drilling services to be provided to the Company.
- (e) The Shares to be issued are in the same class of the Company's existing quoted fully paid ordinary shares.
- (f) The issue will occur on the one date at the completion of the drilling programme.
- (g) A voting exclusion statement is included in the Notice.

10.3 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 9. 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.

Resolution 9 is an ordinary resolution. The Chairman intends to exercise all available proxies in favour of Resolution 9.

11 RESOLUTIONS 10 TO 12 - ISSUE OF SHARES TO RELATED PARTIES

11.1 Introduction

The Company proposes to issue Shares to each of the Directors in lieu of accrued Directors fees as follows:

	Number of Shares	Directors Fees exchanged
Michael Schmulian	1,000,000	\$12,000
Alastair Smith	1,000,000	\$12,000

William Dix	1,000,000	\$12,000
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The proposed issue of Shares to the Directors or their nominees requires Shareholder approval under both the Corporations Act and Listing Rules.

11.2 Requirement for Shareholder approval

Chapter 2E

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.

Messrs Schmulian, Smith and Dix are Directors of the Company and therefore related parties of the Company, and the issue of the Shares to them or their nominees constitutes the provision of a financial benefit for the purposes of Chapter 2E of the Corporations Act.

Listing Rule 10.11

Listing Rule 10.11 requires a listed company to obtain Shareholder approval by ordinary resolution prior to the issue of securities to a related party. If shareholder approval is obtained under Listing Rule 10.11, shareholder approval is not required under Listing Rule 7.1 and the proposed issue will not be included in 15% annual limit permitted by Listing Rule 7.1.

11.3 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 the resolution:

- (a) The related parties to whom the proposed resolution would permit the benefit to be given are Messrs Michael Schmulian, Alastair Smith and William Dix, Directors of the Company.
- (b) The nature of the financial benefit

The proposed financial benefits to be given are the issue of 1,000,000 Shares to Michael Schmulian, 1,000,000 Shares to Alastair Smith and 1,000,000 Shares to William Dix.

(c) Reasons for giving the benefit

The grant of the Shares to the Messrs Michael Schmulian, Alastair Smith and William Dix is in lieu of Directors fees owing to the Directors to preserve cash reserves.

The Board (other than the Director receiving the Shares) believe that it is appropriate to issue the specified number of Shares for the following reasons:

- (i) the issue of the Shares to the Directors will conserve the cash balances of the Company which will allow the Company to spend a greater proportion of its cash reserves on its operations than;
- (ii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Shares upon the terms proposed

(d) Existing relevant interest

	Shares	Options
Michael Schmulian	6,465,600	3,120,000
Alastair Smith	13,136,400	11,334,600
William Dix	181,368	3,020,152

(e) Directors' remuneration package

	2015 ¹	2014
Michael Schmulian	\$22,978	\$24,000
Alastair Smith	\$22,978	\$24,000
William Dix	\$26,261	\$26,400

¹ This includes security based component.

(f) Dilution effect on existing members' interests

The Company's existing share capital will change as a result of the issue of Shares to the Directors.

If Resolutions 10 to 12 are approved, a total of 3,000,000 Shares will be issued. This will increase the number of Shares from 198,660,308 to 201,660,308 (assuming no Options are exercised or other Shares issued) and dilute current Shareholders of the Company by 1.48%, consisting of 0.497%

for Michael Schmulian, 0.497% % for Alastair Smith and 0.497% % for William Dix.

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

The closing Share price on the date of this Notice, being 20 October 2015 was \$0.08. The value of the financial benefit being given can be considered the difference between the prices on the date of issue multiplied by the number of shares being issued to each Director less the fees being forgone. Based on the closing price on 20 October 2015 the financial benefit being provided to each Director is as follows:

Michael Schmulian	\$68,000
Alastair Smith	\$68,000
William Dix	\$68,000

- (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 10 to 12.

11.4 Information required by Listing Rule 10.13

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

- (a) The maximum number of Shares to be issued for each Director is:

	Number of Shares
Michael Schmulian	1,000,000
Alastair Smith	1,000,000
William Dix	1,000,000

- (b) The Shares 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 issue will occur on the same date.
- (c) The Shares will be issued to Directors in lieu of Directors fees owed as set out in Section 11.1.
- (d) The Shares will be issued to Messrs Michael Schmulian, Alastair Smith and William Dix, Directors of the Company
- (e) The Shares issued will be ordinary Shares.
- (f) There will not be any funds raised under the issue.

(g) A voting exclusion statement is included in the Notice.

11.5 Directors' recommendation

The Directors, other than the Director receiving Shares under each of Resolutions 10, 11 and 12, consider the issue of Shares reasonable in the circumstances for the reason set out in section 11.3(c) and recommend that Shareholders vote in favour of Resolutions 10 to 12.

Michael Schmulian 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. Michael Schmulian and his associates will not be entitled to vote on Resolution 10.

Alastair Smith 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. Alastair Smith and his associates will not be entitled to vote on Resolution 11.

William Dix declines to make a recommendation to Shareholders in relation to Resolution 12 as he has a material personal interest in the outcome of Resolution 12. William Dix and his associates will not be entitled to vote on Resolution 12.

12 RESOLUTIONS 13 TO 15 - ISSUE OF INCENTIVE OPTIONS TO RELATED PARTIES

12.1 Introduction

The Company proposes to issue 4,000,000 Incentive Options to each of the Directors, Messrs Michael Schmulian, Alastair Smith and William Dix or any of their nominees in two tranches as follow:

- Tranche 1 - 2,000,000 Incentive Options vesting on grant; and
- Tranche 2 2,000,000 Incentive Options vesting on an announcement of a maiden JORC resource of Min 250k oz at a minimum 2gt/t by 30/9/2016.

The proposed issue of Incentive Options to the Directors or their nominees requires Shareholder approval under both the Corporations Act and Listing Rules.

12.2 Requirement for Shareholder approval

Chapter 2E

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.

Messrs Schmulian, Smith and Dix are Directors of the Company and therefore related parties of the Company, and the issue of the Incentive Options to them or their nominees constitutes the provision of a financial benefit for the purposes of Chapter 2E of the Corporations Act.

Listing Rule 10.11

Listing Rule 10.11 requires a listed company to obtain Shareholder approval by ordinary resolution prior to the issue of securities to a related party. If shareholder approval is obtained under Listing Rule 10.11, shareholder approval is not required under Listing Rule 7.1 and the proposed issue will not be included in 15% annual limit permitted by Listing Rule 7.1.

12.3 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 the resolution:

(a) The related parties to whom the proposed resolution would permit the benefit to be given are Messrs Michael Schmulian, Alastair Smith and William Dix, Directors of the Company.

(b) The nature of the financial benefit

The proposed financial benefits to be given are the issue of 4,000,000 Incentive Options to each of the Directors. The terms and conditions of the Incentive Options are set out in Schedule 5 to this Explanatory Memorandum.

(c) Reasons for giving the benefit

The grant of the Incentive Options to the Messrs Michael Schmulian, Alastair Smith and William Dix is to preserve cash reserves while providing an incentive for future performance in their roles as Directors.

The Board (other than the Director receiving the Incentive Options believe that it is appropriate to issue the specified number of Incentive Options for the following reasons:

(iii) the issue of the Incentive Options to the Directors will align the interests of the Directors with those of Shareholders;

(iv) the issue of the Incentive Options is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion

of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Directors; and

- (v) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Incentive Options upon the terms proposed

(d) Existing relevant interest

	Shares	Options
Michael Schmulian	6,465,600	3,120,000
Alastair Smith	13,136,400	11,334,600
William Dix	181,368	3,020,152

(e) Directors' remuneration package

	2015 ¹	2014
Michael Schmulian	\$22,978	\$24,000
Alastair Smith	\$22,978	\$24,000
William Dix	\$26,261	\$26,400

¹ This includes security based component.

(f) Dilution effect on existing members' interests

The Company's existing share capital will not change as a result of the issue of Incentive Options to the Directors.

If the Incentive Options are exercised, a total of 12,000,000 Shares will be issued. This will increase the number of Shares from 198,660,308 to 210,660,308 (assuming no other Options are exercised or other Shares issued) and dilute current Shareholders of the Company by 5.70%, consisting of 1.9% from each of Messrs Michael Schmulian, Alastair Smith and William Dix.

(g) Valuation of the financial benefit to be given

The valuation of the Incentive Options is set out in Schedule 6.

(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 13 to 15.

12.4 Information required by Listing Rule 10.13

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

- (a) The maximum number of Incentive Options to be issued for each Director is 4,000,000 (a total of 12,000,000 Incentive Options).
- (b) The Incentive 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 issue will occur on the same date.
- (c) The issue price of the Incentive Options is intended to be nil.
- (d) The Incentive Options will be issued to Messrs Michael Schmulian, Alastair Smith and William Dix, Directors of the Company
- (e) The terms of the Incentive Options are set out in Schedule 5.
- (f) There will not be any funds raised under the issue.
- (g) A voting exclusion statement is included in the Notice.

12.5 Directors' recommendation

The Directors, other than the Director receiving Incentive Options under each of Resolutions 13, 14 and 15, consider the issue of Incentive Options reasonable in the circumstances for the reason set out in 11.3(c) and recommend that Shareholders vote in favour of Resolutions 13 to 15.

Michael Schmulian declines to make a recommendation to Shareholders in relation to Resolution 13 as he has a material personal interest in the outcome of Resolution 13. Michael Schmulian and his associates will not be entitled to vote on Resolution 13.

Alastair Smith declines to make a recommendation to Shareholders in relation to Resolution 14 as he has a material personal interest in the outcome of Resolution 14. Alastair Smith and his associates will not be entitled to vote on Resolution 14.

William Dix declines to make a recommendation to Shareholders in relation to Resolution 15 as he has a material personal interest in the outcome of Resolution 15. William Dix and his associates will not be entitled to vote on Resolution 15.

13 RESOLUTIONS 16 TO 18 - ISSUE OF SHARES TO SIMON ROBERTSON, JEFF MCKENZIE AND ANTONIO DE CASTRO

13.1 Introduction

Resolutions 16 to 18 seeks Shareholder approval to issue Shares to each of Simon Robertson the Company's secretary, Jeff McKenzie the Company's CEO and Antonio

de Castro, the Company's Chief Geologist , or their nominees, in lieu of fees owed to them or related entities.

Listing Rule 7.1 limits the number of securities a company can issue in a 12 month period to 15% of its issued share capital, except for certain issues, including where first approved by Shareholders. The effect of passing Resolutions 16 to 18 will be to allow the Directors to issue securities in accordance with the Resolution without those securities being included in the 15% limit.

13.2 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 is 500,000 under Resolution 16, 2,500,000 under Resolution 17 and 2,500,000 under Resolution 18.
- (b) 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 Shares will be issued in lieu of fees owed to Simon Robertson, Jeff McKenzie and Antonio de Castro, or related parties, as follows:

Simon Robertson	\$6,000
Jeff McKenzie	\$30,000
Antonio de Castro	\$30,000

- (d) It is intended that the securities will be issued to:
 - (i) Resolution 16 : Simon Robertson or his nominee(s);
 - (ii) Resolution 17: Jeff McKenzie or his nominee(s). and
 - (iii) Resolution 18: Antonio de Castro or his nominee(s).
- (e) No funds will be raised under the issue but outstanding fees will be settled.
- (f) A voting exclusion statement is included in the Notice.

13.3 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolutions 16 to 18. 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.

Resolutions 16 to 18 are ordinary resolutions. The Chairman intends to exercise all available proxies in favour of Resolutions 16 to 18.

14 RESOLUTIONS 19 TO 21 - ISSUE OF INCENTIVE OPTIONS TO SIMON ROBERTSON JEFF MCKENZIE AND ANTONIO DE CASTRO

14.1 Introduction

Resolutions 19 to 21 seek Shareholder approval to issue Incentive Options to each of Simon Robertson the Company's secretary and Jeff McKenzie the Company's CEO and Antonio de Castro, the Company's Chief Geologist, or their nominees.

Listing Rule 7.1 limits the number of securities a company can issue in a 12 month period to 15% of its issued share capital, except for certain issues, including where first approved by Shareholders. The effect of passing Resolutions 19 and 21 will be to allow the Directors to issue securities in accordance with the Resolution without those securities being included in the 15% limit.

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:

- (a) The maximum number of securities to be issued is 1,000,000 under Resolution 19, 4,000,000 under Resolution 20 and 4,000,000 under Resolution 21.

The Options will be issued in two tranches as follows:

- Tranche 1 -50% of incentive Options vest on grant; and
 - Tranche 2 50% of Incentive Options vest on an announcement of a maiden JORC resource of Min 250k oz at a minimum 2g/t by 30/9/2016.
- (b) 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 Incentive Options is intended to be nil.
- (d) It is intended that the securities will be issued to:
- (i) Resolution 19 : Simon Robertson or his nominee(s); and
 - (ii) Resolution 20: Jeff McKenzie or his nominee(s).
 - (iii) Resolution 21: Antonio de Castro or his nominee(s).
- (e) The terms of the Incentive Options are set out in Schedule 5.
- (f) No funds will be raised under the issue.
- (g) A voting exclusion statement is included in the Notice.

14.3 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolutions 19, 20 and 21. 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.

Resolutions 19 to 21 are ordinary resolutions. The Chairman intends to exercise all available proxies in favour of Resolutions 19 to 21.

15 RESOLUTION 22 - APPROVAL OF 10% PLACEMENT FACILITY

15.1 General

The Company seeks Shareholder approval to issue Equity Securities up to 10% of its issued share capital through issues over a 12 month period following Shareholder approval (**10% Placement Facility**).

Resolution 22 is a special resolution and therefore requires 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).

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to section 15.3(b) below).

Resolution 22 is a special resolution and therefore requires 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).

As the date of this Notice, the Company has 198,580,308 quoted Shares and 68,031,521 unlisted Options on issue. The Company has a capacity to issue:

- (a) assuming Shareholders approve Resolutions 4, 6 and 7, 29,787,046 Equity Securities under Listing Rule 7.1; and
- (b) assuming Shareholders approve Resolution 22, 19,850,030 Equity Securities under Listing Rule 7.1A,

assuming no Options are exercised.

15.2 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 22. This will allow the Company to issue securities and raise funds to continue exploration and acquire assets, whilst preserving the Company's 15% annual limit permitted by Listing Rule 7.1.

15.3 Listing Rule 7.1A

- (a) Background

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period

following shareholder approval by way of a special resolution. The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1.A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalization of \$300 million or less. The Company is an eligible entity.

(b) Maximum number of Equity Securities which may be issued

The number of Equity Securities which may be issued, or agreed to be issued, under the 10% Placement Facility is prescribed in Listing Rule 7.1A.2 and is calculated as follows:

$$\text{Maximum number of Equity Securities} = (A \times D) - E$$

Where:

"A" the number of shares on issue 12 months before the date of issue or agreement to issue:

- (A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (B) plus the number of partly paid shares that become fully paid in the 12 months;
- (C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- (D) less the number of fully paid shares cancelled in the 12 months.

"D" is 10%.

"E" is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

The actual number of Equity Securities that may be issued under Listing Rule 7.1A is calculated at the date of issue of the Equity Securities in accordance with the above formula.

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

15.4 Specific information by Listing Rule 7.3A

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

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days on which trades in that class were recorded immediately before:
- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued,
- or such longer period if allowed by ASX.
- (b) There is a risk of economic and voting dilution to existing Shareholders in approving the 10% Placement Facility, including the risks that:
- (i) the market price for the Company's Equity Securities may be significantly lower of the date of the issue of the Equity Securities than when Shareholders approval the 10% Placement Facility; 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 issued for non-cash consideration for the acquisition of a new asset.

Following is a table that sets out the potential dilution of existing Shareholders if Equity Securities are issued under the 10% Placement Facility:

Variable "A" in Listing Rule 7.1A.2 (198,580,308 Shares)		Dilution		
		\$0.04 50% decrease in Share price	\$0.08 Share price	\$0.16 100% increase in Share price
Current Variable A (198,580,308 Shares)	10% Voting Dilution	19,858,031	19,858,031	19,858,031
	Funds Raised	\$794,641	\$1,589,282	\$3,178,565
50% increase in current Variable A (297,870,462)	10% Voting Dilution	29,787,046	29,787,046	29,787,046
	Funds Raised	\$1,191,962	\$2,383,924	\$4,767,847
100% increase in current Variable A (397,160,616)	10% Voting Dilution	39,716,062	39,716,062	39,716,062
	Funds Raised	\$1,589,282	\$3,178,565	\$6,357,130

The table has been prepared on the following assumptions:

- (i) The Company issues, or agrees to issue, the maximum number of Equity Securities available under the 10% Placement Facility.

- (ii) No Options (including any Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities;
- (iii) The 10% voting dilution reflects the maximum aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iv) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- (v) The issue price is \$0.08 being the closing price of the Shares on ASX on 20 October 2015.
- (vi) Shareholders approve Resolutions 4, 6 and 7.

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 Shareholder's holding at the date of the Meeting.

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) The latest date by which Equity Securities may be issued is 12 months after the Meeting. Approval for the issue of Equity Securities under the 10% Placement Facility will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Equity Securities may be issued for the following purposes:
 - (i) To raise funds, in which case the Company intends to use the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.
 - (ii) In consideration of the acquisition of new resources assets and investments, in which case the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities under the 10% Placement Facility.

- (e) The Company is yet to identify the persons to whom Equity Securities will be issued to under the 10% Placement Facility. The Company's policy for allocating Equity Securities issued under the 10% Placement Facility will be

determined on a case-by-case basis depending upon the purpose, and prevailing market conditions at the time, of any issue and having regard to factors including but not limited to the following:

- (i) The fundraising methods available to the Company, including but not limited to, rights issue or other issue which may minimise dilution to Shareholders.
- (ii) In the case of an asset or investment acquisition, the nature and circumstances of the acquisition.
- (iii) The effect of the issue of the Equity Securities on the control of the Company.
- (iv) The financial situation and solvency of the Company.
- (v) Advice from corporate, financial and broking advisers (if applicable).

The allottees may include vendors (in the case of any issue for non-cash consideration), existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

- (f) The total number of Equity Securities issued in the 12 months preceding the date of the Meeting is 125,157,597, representing approximately 88.1% of the total number of Equity Securities on issue at the commencement of that 12 month period (25 November 2014). The details of all issues of Equity Securities by the Company during the 12 months preceding the date of the Meeting is set out in **Schedule 4** below.
- (g) A voting exclusion statement is included in the Notice.

At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities, and no existing Shareholder's votes will be excluded under the voting exclusion in the Notice.

SCHEDULE 1**DEFINITIONS**

In this Notice and Explanatory Memorandum:

Annual Report	means the annual report of the Company for the financial year ended 30 June 2015.
ASX	means ASX Limited or the Australian Securities Exchange operated by ASX Limited, as the context requires.
Board	means the board of Directors.
Chairman	means the Chairman of the Meeting.
Closely Related Party	means a spouse or child of the member, a child of the member's spouse, a dependent of the member or the member's spouse, 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; company the member controls; or a person prescribed by the <i>Corporations Regulations 2001</i> (Cth).
Company	means BBX Minerals Limited ABN 82 089 221 634
Constitution	means the constitution of the Company as amended.
Convertible Note	means the convertible note on the terms and conditions of Schedule 2.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth) as amended.
Director	means a director of the Company.
Equity Securities	has the same meaning giving in the Listing Rules.
Explanatory Memorandum	means this explanatory memorandum.
Incentive Options	means Options the terms and conditions of which are set out in Schedule 5.
Options	means Options the terms and conditions of which are set out in Schedule 3.
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.

Listing Rules	means the listing rules of the ASX.
Meeting or Annual General Meeting	means the meeting convened by this Notice (as adjourned from time to time).
Notice	means this notice of meeting.
Option	means an option to purchase a Share.
Proxy Form	means the proxy form attached to this Notice.
Remuneration Report	means the remuneration report of the Company included in the Directors Report section of the Company's Annual Report.
Resolution	means a resolution set out in the Notice.
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.
WST	means Western Standard Time.
10% Placement Facility	has the meaning given in section 15.1 of this Explanatory Memorandum.

SCHEDULE 2 TERMS AND CONDITIONS OF CONVERTIBLE NOTES

Terms of unsecured Convertible Notes

1. Term of issue: The Convertible Notes shall:
 - (a) have a face value of \$0.01 each (**Face Value**);
 - (b) be paid for in full on application;
 - (c) not bear interest; and
 - (d) convert to fully paid ordinary shares in the capital of the Company (**Shares**) on the basis set out in condition 6.

2. Agreement by Note Holders: Each Note Holder by accepting an issue of Convertible Notes:
 - (a) agrees to be bound by these conditions; and
 - (b) acknowledges that it has contractual rights against the Company as set out in these conditions.

3. Status: The Convertible Notes:
 - (a) constitute unsecured obligations of the Company;
 - (b) confer contractual rights on the Note Holders as set out in these Conditions;
 - (c) do not (until conversion or repayment) confer on Note Holders any right as a member or shareholder of the Company, including voting rights; and
 - (d) confer on Note Holders a right to be given copies of all documents sent by the Company to shareholders (whether in connection with a general meeting of Shareholders or otherwise).

4. Term: The Convertible Notes mature on 31 December 2016 (**Maturity Date**).

5. Repayment through the issue of Shares
 - (a) The Note Holder may at any time elect to convert an aggregate number of Convertible Notes to Shares, on the basis of one Share for each Convertible Note converted plus 1 attaching option @\$0.0125cents expiring on or before 1 March 2018 for every 2 shares issued.
 - (b) Subject to clause 6, at the Maturity Date all outstanding Convertible Notes will convert to Shares, on the basis of one Share for each Convertible Note converted plus 1 attaching option @\$0.0125cents expiring on or before 1 March 2018 for every 2 shares issued.

6. 20% Limit: Conversion at the Maturity Date is, if required, subject to the Company's shareholders approving the acquisition for the purposes of section 611 of the Corporations Act.

The Company irrevocably undertakes to obtain an experts report and hold a special general meeting to seek shareholder approval at the request of the note holders should they wish to convert all or any of the convertible notes.

In the event shareholder approval is not obtained within 3 months of the Maturity Date, the Convertible Notes will be repayable in 90 days for an amount equal to the then percentage increase between the Face Value for Convertible Notes and 30 traded day VWAP of the Company's Shares.

For example if the Face Value is A\$0.02 and the 30 traded day VWAP following the Company's shareholders rejecting the acquisition by the Noteholder is \$0.04, then the Note will be redeemed for 200% of the Face Value (being the increase between the Face Value and the 30 traded day VWAP at maturity).

Interest at the rate of 10% per annum will, from the date shareholder approval is not obtained, accrue on the total Face Value of Convertible Notes which are to be repaid.

7. Shares issued on repayment: Shares issued on conversion of a Convertible Note shall be fully paid ordinary shares in the capital of the Company and otherwise rank equally in all respects with all other Shares on issue from the allotment date, and each Note Holder acknowledges that upon repayment of the Convertible Notes through the issue of Shares, the Note Holder will be bound by the Constitution of the Company in so far as it relates to those Shares.
8. No voting rights: Convertible Notes do not provide for any voting rights at Shareholder meetings of the Company.
9. Unsecured: Convertible Notes are unsecured and each Note Holder will rank equally with all other unsecured creditors of the Company.
10. Transfer: Convertible Notes are transferable, subject to the Corporations Act.
11. Quotation: The Company will not apply for quotation of Convertible Notes on ASX. The Company will apply for quotation of Shares issued upon repayment of a Convertible Note.
12. Reorganisation: If the Company reorganises its capital, the number of Shares to be issued in repayment of a Convertible Note (**Repayment Rate**) will be adjusted in accordance with the Listing Rules applicable at the time of the reorganisation, and so that Note Holders will not receive a benefit that holders of Shares do not receive. Unless the Listing Rules require otherwise, the Repayment Rate must be adjusted as follows:
 - (a) Reduction in capital: If the issued capital of the Company is reduced, the entitlement of a Note Holder to be repaid its Notes to Shares at the Repayment Rate will be reduced in the same proportion and manner as the issued capital is so reduced (subject to any provisions with respect to the rounding of entitlements as may be sanctioned by the meeting of the members of the Company approving the reduction of capital) but in all other respects the Repayment Rights will remain unchanged;
 - (b) Consolidation of capital: If the issued capital of the Company is consolidated, the entitlement of a Note Holder to convert its Notes to Shares at the Repayment Rate will be reduced in the same proportion and manner as the issued capital is so consolidated (subject to any provisions with respect to the rounding of entitlements as may be sanctioned by the meeting of the members of the Company approving the consolidation of capital) but in all other respects the Repayment Rights will remain unchanged; and
 - (c) Subdivision of Capital: If the issued capital of the Company is subdivided, the entitlement of a Note Holder to convert its Notes to Shares at the Repayment Rate will be increased in the same proportion and manner as the issued capital is so subdivided (subject to any provisions with respect to the rounding of entitlements as may be sanctioned by the meeting of the members of the Company approving the subdivision of capital) but in all other respects the Repayment Rights will remain unchanged.

13. Events of default: If any of the following events of default occur, any money owing by the Company under Convertible Notes must be paid to the Note Holder within 10 Business Days of the Note Holder issuing a written notice to the Company requiring repayment:
 - (a) a receiver, manager, administrator, controller, liquidator or similar officer is appointed in respect of the Company;
 - (b) any investigation into the affairs or particular affairs of the Company is directed or commenced under the Corporations Act;
 - (c) if the Company defaults under the Agreement and does not remedy the default within 10 Business Days of its occurrence;
 - (d) the Agreement is or becomes void, voidable or unenforceable in whole or in part; or
 - (e) it becomes unlawful for the Company to perform any of its obligations under the Agreement.
14. On-sale: The Company will issue take reasonable steps to ensure that Shares issued upon repayment of Convertible Notes can be freely offered for sale without disclosure.
15. Governing Law: The terms of the Convertible Notes are governed by the laws of Western Australia.
16. Notices
 - (a) A notice given to a Note Holder pursuant to a provision of these conditions shall be in writing or electronic form and may be given to a Note Holder by being delivered to him by e-mail, facsimile, or posted in a pre-paid envelope and addressed to the address appearing in the register or to such other address as he has notified the Company in writing.
 - (b) A notice given to any one of joint Note Holders is sufficient notice to all of those joint Note Holders.

SCHEDULE 3 TERMS AND CONDITIONS OF OPTIONS**1. Exercise Price**

The exercise price of each Option is \$0.0125.

2. Expiry Date

The expiry date of each Option is 1 March 2018.

3. Entitlement

The Options entitle the holder to subscribe for one Share upon exercise of each Option.

4. Exercise Period

The Options are only exercisable during the exercise period (being from the date of issue to the expiry date set out above).

5. Notice of Exercise

The Options may be exercised by notice in writing to the Company. Any notice of exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

6. Timing of Issue of Shares

After an Option is validly exercised, the Company must as soon as possible:

- (a) issue and allot the Share; and
- (b) do all such acts matters and things to obtain the grant of quotation for the Share on ASX in accordance with the Listing Rules.

The listing of any Shares issued following exercise of an Option shall be subject to the Option holder complying with all requirements imposed by Australian Securities Exchange as a condition to listing (including entering into any required restriction agreement regulating the sale of Shares issued on exercise of an Option).

7. Shares issued on exercise

Shares issued on exercise of the Options rank equally with the then Shares of the Company.

8. Quotation of Shares on exercise

Application will be made by the Company to ASX for official quotation of the Shares issued upon the exercise of the Options.

9. 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.

However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least ten business days after the issue is announced. This will give holders of Options the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

10. Adjustment for bonus issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment):

- (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Optionholder would have received if the Optionholder had exercised the Option before the record date for the bonus issue; and
- (b) no change will be made to the Exercise Price.

11. Adjustments for reorganisation

If there is any reconstruction of the issued share capital of the Company, the rights of the Optionholders will be varied to comply the ASX Listing Rules which apply to the reconstruction at the time of the reconstruction.

12. Quotation of Options

The Company intends to make an application for quotation of the Options which will only occur if all the conditions necessary for quotation of the Options is satisfied.

13. Options non-transferable

The Options are transferable.

14. Lodgement Instructions

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for shares on exercise of the Options with the appropriate remittance should be lodged at the Company's Registered Office.

SCHEDULE 4 INFORMATION REQUIRED BY LISTING RULE 7.3A.6

In the 12 months preceding the date of this Notice the Company issued a total 125,157,597 Equity Securities which represent 88.13% of the total number of Equity Securities on issue at 25 November 2014. The Equity Securities issued in the preceding 12 months were as follows:

Date of Issue	Number, class and terms of Equity Securities	Issued to or basis of issue	Price at which the Equity Securities were issued and the discount to market price ¹	Amount raised, use of funds or non-cash consideration	The current value of the non-cash consideration.
25 November 2014	17,000,000 Options with exercise price of \$0.05 expiring on 24 November 2017	Issued as Options pursuant to approvals at the 2014 Annual General Meeting	Nil	Nil	Non-cash consideration. Each Option has been valued at: On the date of issue: \$0.007 At the date of this notice \$0.068
1 May 2015	60,126,076 Ordinary Shares 15,031,521 attaching Options exercise price \$0.0125 expiring on 1 March 2018	Issue of Entitlements and Shortfall Securities under rights issue	\$0.01 per Share Nil per attaching Option	\$601,260. Funds have been expended as follows: Surface rights and access payments \$100,000 IP costs and analysis of results \$100,000	N/A

				<p>Drilling costs including mobilisation \$90,000</p> <p>Field costs including contractors and salaries \$150,000</p> <p>Working capital costs in Brazil including travel, contractors and legal \$70,000</p> <p>General working capital expenses including legal ASX fees, share registry and other admin an corporate expenses \$91,260</p>	
29 June 2015	<p>1,200,000 Ordinary Shares</p> <p>300,000 attaching Options exercise price \$0.0125 expiring on 1 March 2018</p>	Issue of Shortfall Securities under rights issue	<p>\$0.01 per Share</p> <p>Ordinary</p> <p>Nil per attaching Option</p>	<p>\$12,000. All funds have been expended for working capital purposes</p>	N/A
20 July 2015	<p>3,000,000 Ordinary Shares</p> <p>750,000 attaching Options exercise price</p>	Issue of Shortfall Securities under rights issue	<p>\$0.01 per Share</p> <p>Ordinary</p> <p>Nil per attaching Option</p>	<p>\$30,000. All funds have been expended for working capital purposes</p>	N/A

9 September 2015	\$0.0125 expiring on 1 March 2018 1,000,000 Ordinary Shares 250,000 attaching Options exercise price \$0.0125 expiring on 1 March 2018	Issued to sophisticated investors	Nil per Ordinary Share Nil per attaching Option	Nil	Non-cash consideration The closing share price on the day of issue was \$0.02 Each Option has been valued at: On the date of issue: \$0.018 At the date of this notice \$0.076
22 September 2015	7,500,000 Options exercise price \$0.0125 expiring on 1 March 2018	Issued to Drake Investments LLC as consideration for sub-underwriting rights issue	The Options were issued for nil consideration.	No cash was raised from the issue.	Non-cash consideration. Each Option has been valued at: On the date of issue: \$0.016 At the date of this notice \$0.076
6 October 2015	14,800,000 Ordinary Shares 3,720,000 attaching Options exercise price \$0.0125 expiring on 1 March 2018	Issued to sophisticated investors	\$0.01 per Ordinary Share Nil per attaching Option	\$148,000. All funds remain unspent at the date of this notice. Funds will be utilised for Working capital purposes	N/A

1. Market price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.

SCHEDULE 5

TERMS AND CONDITIONS OF INCENTIVE OPTIONS

1. Exercise Price and Expiry Dates

The Incentive options are to be granted in two Tranches as follows:

Tranche 1

Granted to	Exercise Price	Expiry Date	Vesting	Number
Michael Schmulian	Higher of 5 Day VWAP * 1.43 or 2.25 cents	4 Years from the date of Grant	Vest on grant	2,000,000
Alastair Smith	Higher of 5 Day VWAP * 1.43 or 2.25 cents	4 Years from the date of Grant	Vest on grant	2,000,000
William Dix	Higher of 5 Day VWAP * 1.43 or 2.25 cents	4 Years from the date of Grant	Vest on grant	2,000,000
Simon Robertson	Higher of 5 Day VWAP * 1.43 or 2.25 cents	4 Years from the date of Grant	Vest on grant	500,000
Jeff McKenzie	Higher of 5 Day VWAP * 1.43 or 2.25 cents	4 Years from the date of Grant	Vest on grant	2,000,000
Antonio de Castro	Higher of 5 Day VWAP * 1.43 or 2.25 cents	4 Years from the date of Grant	Vest on grant	2,000,000

Refer Schedule 6 for the calculation of the exercise price of the Tranche 1 Options based on the underlying share price at the date the Options have been valued for the purposes of this Notice, being 20 October 2015.

Tranche 2

Granted to	Exercise Price	Expiry Date	Vesting	Number
Michael Schmulian	Higher of 5 Day VWAP * 1.18 or 2.25 cents	1 October 2016	Announcement of a maiden JORC resource of Min 250k oz at a minimum 2gt by 30/9/2016	2,000,000
Alastair Smith	Higher of 5 Day VWAP * 1.18 or 2.25 cents	1 October 2016	Announcement of a maiden JORC resource of Min 250k oz at a minimum 2gt by 30/9/2016	2,000,000

Granted to	Exercise Price	Expiry Date	Vesting	Number
William Dix	Higher of 5 Day VWAP * 1.18 or 2.25 cents	1 October 2016	Announcement of a maiden JORC resource of Min 250k oz at a minimum 2gt by 30/9/2016	2,000,000
Simon Robertson	Higher of 5 Day VWAP * 1.18 or 2.25 cents	1 October 2016	Announcement of a maiden JORC resource of Min 250k oz at a minimum 2gt by 30/9/2016	500,000
Jeff McKenzie	Higher of 5 Day VWAP * 1.18 or 2.25 cents	1 October 2016	Announcement of a maiden JORC resource of Min 250k oz at a minimum 2gt by 30/9/2016	2,000,000
Antonio de Castro	Higher of 5 Day VWAP * 1.18 or 2.25 cents	1 October 2016	Announcement of a maiden JORC resource of Min 250k oz at a minimum 2gt by 30/9/2016	2,000,000

Refer Schedule 6 for the calculation of the exercise price of the Tranche 2 Options based on the underlying share price at the date the Options have been valued for the purposes of this Notice, being 20 October 2015.

2. Entitlement

The Incentive Options entitle the holder to subscribe for one Share upon exercise of each Incentive Option.

3. Exercise Period

The Incentive Options are only exercisable during the exercise period (being from the date of issue to the expiry date set out above).

4. Notice of Exercise

The Incentive Options may be exercised by notice in writing to the Company. Any notice of exercise of an Incentive Option received by the Company will be deemed to be a notice of the exercise of that Incentive Option as at the date of receipt.

5. Timing of Issue of Shares

After an Incentive Option is validly exercised, the Company must as soon as possible:

- (a) issue and allot the Share; and

- (b) do all such acts matters and things to obtain the grant of quotation for the Share on ASX in accordance with the Listing Rules.

The listing of any Shares issued following exercise of an Incentive Option shall be subject to the Incentive Option holder complying with all requirements imposed by Australian Securities Exchange as a condition to listing (including entering into any required restriction agreement regulating the sale of Shares issued on exercise of an Incentive Option).

6. Shares issued on exercise

Shares issued on exercise of the Incentive Options rank equally with the then Shares of the Company.

7. Quotation of Shares on exercise

Application will be made by the Company to ASX for official quotation of the Shares issued upon the exercise of the Incentive Options.

8. Trigger Events

Any Options that have been issued but have not yet vested will automatically vest upon one or more of the following events occurring:

- i. the despatch of a notice of meeting to consider a scheme of arrangement between the Company and its creditors or members or any class thereof pursuant to section 411 of the Corporations Act 2001 (Cth);
- ii. the service of a bidder's statement or a like document on the Company by any party to acquire shares in the Company;
- iii. the date upon which a person or a group of associated person becomes entitled, subsequent to the date of issue of the Options, to sufficient Shares to give it or them the ability, in general meeting to replace all, or allow a majority, of Directors in circumstances where such ability was not already held by a person associated with such person or group of associated persons.

9. Participation in new issues

There are no participation rights or entitlements inherent in the Incentive Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Incentive Options.

However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least ten business days after the issue is announced. This will give holders of Incentive Options the opportunity to exercise their Incentive Options prior to the date for determining entitlements to participate in any such issue.

10. Adjustment for bonus issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment):

- (a) the number of Shares which must be issued on the exercise of an Incentive Option will be increased by the number of Shares which the Incentive Optionholder would have received if the Incentive Optionholder had exercised the Incentive Option before the record date for the bonus issue; and
- (b) no change will be made to the Exercise Price.

11. Adjustments for reorganisation

If there is any reconstruction of the issued share capital of the Company, the rights of the Incentive Optionholders will be varied to comply the ASX Listing Rules which apply to the reconstruction at the time of the reconstruction.

12. Quotation of Incentive Options

No application for quotation of the Incentive Options will be made by the Company.

13. Incentive Options non-transferable

The Incentive Options are transferable.

14. Lodgement Instructions

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for shares on exercise of the Incentive Options with the appropriate remittance should be lodged at the Company's Registered Office.

SCHEDULE 6 VALUATION OF INCENTIVE OPTIONS

The Company has valued the Incentive Options using the Black Scholes option pricing model.

Its valuation was based on the following assumptions:

	Tranche 1	Tranche 2
Underlying Share Price	\$0.08	\$0.08
Exercise Price	\$0.114 (being 1.43 times the underlying Share price)	\$0.094 (being 1.18 times the underlying Share price)
Valuation Date	20 October 2014	20 October 2014
Life of the Options	4 Years	1 Year
Volatility	185%	185%
Risk free rate	1.99%	1.88%
Valuation per option	\$0.074	\$0.049
Valuation per Tranche Michael Schmulian	\$148,000	\$98,000
Valuation per Tranche Alastair Smith	\$148,000	\$98,000
Valuation per Tranche William Dix	\$148,000	\$98,000
Valuation per Tranche Simon Robertson	\$37,000	\$12,500
Valuation per Tranche Jeff McKenzie	\$148,000	\$98,000
Valuation per Tranche Antonio De Castro	\$148,000	\$98,000

Holder Number

Security Holder Appointment of Proxy – Annual General Meeting

I/We being a Shareholder entitled to attend and vote at the Meeting, hereby appoint

(Name of Proxy)

OR

The Chair as my/our proxy

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 11.30am (WST) on 25 November 2015 at the offices of the Company, Level 1, 35 Havelock Street, West Perth, 6005, and at any adjournment thereof.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1 and 10 to 15 (except where I/we have indicated a different voting intention below) even though Resolutions 1 and 10 to 15 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

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

Unless indicated otherwise by ticking the "for," "against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

VOTING ON BUSINESS OF THE MEETING

Resolutions	For	Against	Abstain	Resolutions	For	Against	Abstain
1 Remuneration Report (Non-Binding)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12 Issue of Shares to Related Party – William Dix	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-Election of Director – Alastair Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	13 Issue of Incentive Options to Related Party – Michael Schmulian	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval to Issue Convertible Notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	14 Issue of Incentive Options to Related Party – Alastair Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Ratification of Prior Issue of Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	15 Issue of Incentive Options to Related Party – William Dix	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval to Issue Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	16 Issue of Shares to Simon Robertson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Ratification of Prior Issue of Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17 Issue of Shares to Jeff McKenzie	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Ratification of Prior Issue of Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	18 Issue of Shares to Antonio De Castro	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	19 Issue of Incentive Options to Simon Robertson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9 Issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	20 Issue of Incentive Options to Jeff McKenzie	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10 Issue of Shares to Related Party – Michael Schmulian	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	21 Issue of Incentive Options to Antonio De Castro	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11 Issue of Shares to Related Party – Alastair Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	22 Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please 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.

SIGNATURE OF SHAREHOLDER(S):

Individual or Shareholder 1

Sole Director or
 Sole Director / Company Secretary

Shareholder 2

Director

Shareholder 3

Director / Company Secretary

INSTRUCTIONS FOR COMPLETING 'APPOINTMENT OF PROXY' FORM

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. The appointed proxy may be an individual or body corporate.

If a Body Corporate is appointed to act as your proxy then a representative of that Body Corporate must be appointed to act as its representative. When attending the meeting, the representative must bring a formal notice of appointment as per section 250D of the Corporations Act. Such notice must be signed as required by section 127 of the Corporations Act or the Body Corporate's Constitution.

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.

Note: If you wish to appoint a second proxy, you may copy this form but you must return both forms together.

VOTING ON BUSINESS OF MEETING

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 number of votes that the proxy may exercise by writing the 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.

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 lodged 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:** To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

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.

LODGE MENT OF VOTES

To be effective, a validly appointed proxy must be received by the Company **not less than 48 hours** prior to commencement of the Meeting.

Proxy appointments can be lodged by:

- a) **Hand Delivery** – to Automic Registry Services Suite 1a, Level 1 7 Ventnor Avenue West Perth WA 6005; or
- b) **Post** - to Automic Registry Services, PO Box 223, West Perth WA 6872; or
- c) **Online** – via our share registry @ <https://automic.7g.com.au/loginlisted.aspx> and follow the below instructions:
 1. Security Code – using the dropdown box select “BBX Minerals Limited”
 2. SRN/HIN – enter your personal holder number
 3. Enter your postcode if your holding has a registered address in Australia or your Country if it is registered overseas
 4. Click the “Login” button
 5. Click on the “Voting” tab to commence registering your voting intention

Proxy Forms received later than this time will be invalid