



BBX Minerals Ltd

ACN 089 221 634

Notice of 2020 Annual General Meeting

Temporary modifications have been made to the Corporations Act under the *Corporations (Coronavirus Economic Response) Determination (No. 3) 2020*, which provide relief to the Company from having to dispatch physical copies of the Notice of 2020 Annual General Meeting and allow the Notice and other information regarding the Meeting, to be provided online for viewing and downloading.

Where the Company has email addresses on record for Shareholders, they will receive a copy of the Notice of the Meeting together with the relevant material or be provided with a link to where the Notice can be viewed or downloaded by email.

For other Shareholders, the Notice of Meeting can be viewed and downloaded from the Company's website at www.bbxminerals.com.au

The Company encourages Shareholders to participate in the Meeting via proxy voting and the ability to submit questions in advance of the Meeting, which will be addressed at the Meeting.

Friday, 27 November 2020

10.00am (WST)

The Sandpiper Boardroom
37 St Georges Terrace
PERTH WA 6000

NOTICE OF 2020 ANNUAL GENERAL MEETING

Notice is hereby provided of the 2020 Annual General Meeting (**AGM**) of the Shareholders of BBX Minerals Limited (**BBX** or **the Company**) will be held at The Sandpiper Boardroom, 37 St Georges Terrace, Perth WA at 10.00am (WST) on Friday, 27 November 2020.

The AGM is an important event for the Company and is an opportunity for Shareholders to review the 2020 Annual Report, ask questions and vote on relevant matters.

The Board considers that all the resolutions to be tabled at the 2020 AGM are in the best interests of all Shareholders and recommends all Shareholders vote in favour of them.

Eligibility to attend and vote

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4.00 pm (WST) on Wednesday, 25 November 2020.

Shareholders who are unable to attend the Meeting but wish to vote on the Resolutions may appoint a proxy to vote on their behalf. A proxy voting form is included with this Notice.

Last date to submit Proxy Form

Completed and signed Proxy Forms are to be received by no later than 10.00am (WST) on **Wednesday, 25 November 2020**. **Proxy Forms received after 10.00am WST on Wednesday 25 November 2020 will be invalid.**

Appointing a proxy

You can appoint a proxy to attend and vote on your behalf as an alternative to attending the meeting in person or casting a direct vote.

To appoint a proxy, please write the name of the appointed proxy in the box on the proxy form. You can direct your proxy how to vote on the Resolutions by marking "For", "Against" or "Abstain".

A proxy does not need to be a shareholder of the Company. A proxy may be an individual or a company. You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Forms and specify the percentage or number of votes each proxy is appointed to exercise. If you do not specify a percentage or number, each proxy may exercise half of the votes. You must return both Proxy Forms together. If you require additional Proxy Forms, please contact the Company Secretary on +61 435 905 770.

If you appoint a proxy, you may still attend the meeting. However, your proxy's right to vote and speak will be suspended while you are present.

Attending the meeting in person

Eligible shareholders may attend the meeting and vote in person.

If you intend to attend the meeting in person, you do not need to submit a Proxy Form.

You may still attend the meeting and vote in person even if you have appointed a proxy. If you have previously submitted a Proxy Form, your attendance will suspend your proxy appointment while you are present at the meeting.

Please bring your Proxy Form with you as it will help you to register your attendance at the meeting. If you do not bring your Proxy Form with you, you can still attend the Meeting, the Company will need to verify your identity. Please arrive 20 minutes prior to the start of the Annual General Meeting on the date and at the venue set out above.

Voting by Corporate Representative

A shareholder that is a corporation may appoint an individual to act as its representative to vote at the meeting in accordance with section 250D of the Corporations Act 2001 (Cth) (Corporations Act). The representative should bring to the meeting evidence of his or her appointment, including any authority under which the

appointment is signed. The appropriate "Appointment of Corporate Representative" form should be completed and produced prior to admission to the meeting. This form may be obtained from the Company's share registry.

Impact of your proxy appointment on your voting instructions

If you appoint the Chairman as your proxy and have not directed him how to vote, you are authorising the Chairman to cast your undirected vote on all proposed resolutions in accordance with his intentions set out below.

If you appoint a Restricted Voter (being a member of Key management Personnel or their Closely Related Party), they will not be able to vote your proxy on the Remuneration report unless you have directed them how to vote.

If you intend to appoint a KMP (other than the Chairman) as your proxy, you are encouraged to direct them how to vote by marking "For", "Against" or "Abstain" for each of those items of business.

The Chairman's voting intentions

The Chairman intends to vote undirected proxies on, and in favour of, all the proposed resolutions. If there is a change to how the Chairman intends to vote undirected proxies, BBX will make an announcement to the market.

The Chairman's decision on the validity of a vote cast by a proxy or vote cast in person, is conclusive.

BUSINESS OF THE 2020 ANNUAL GENERAL MEETING

2020 Annual Financial Report

To receive and consider the Financial Report, Directors' Report and Independent Auditor's Report for the Company and its controlled entities for the financial year ended 30 June 2020.

A copy of the above Reports, which are included in the Company's 2020 Annual Report, are accessible at <http://www.bbxminerals.com.au>

NON-BINDING Resolution

Resolution 1

2020 Remuneration Report

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

That, for the purpose of Section 250R (2) of the Corporations Act and for all other purposes, the Remuneration Report for BBX Minerals Limited for the financial year ended 30 June 2020 be adopted.

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company. Shareholders are encouraged to read the Explanatory Memorandum for further details on the consequences of voting on this Resolution.

Voting Exclusion Statement:

In accordance with Section 250R of the Corporations Act, the Company will disregard any vote cast in favour of Resolution 1 by, or on behalf of, a member of the Key Management Personnel (KMP) whose remuneration details are included in the Remuneration Report for the year ended 30 June 2020 or a Closely Related Party of a KMP (regardless of the capacity in which the vote is cast).

However, the Company need not disregard a vote if (a) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on the proposed Resolution or the proxy is the Chair of the Meeting and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the resolution and expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel; and (b) it is not cast on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless (a) the appointment specifies the way the proxy is to vote on the Resolution; or the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note the Chair intends to vote any undirected proxies in favour of the Resolution. In exceptional circumstances, the Chair of the Meeting may change their voting intention on this Resolution, in which case an ASX announcement will be made.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

In accordance with ASX guidelines, Resolution 1 will be decided by a poll.

ORDINARY Resolutions

Resolution 2

Re-Election of Director retiring by rotation

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

That, Mr Michael Schmulian, who retires by rotation in accordance with rule 14.2 of the Company's Constitution and being eligible, be re-elected as a Director.

In accordance with ASX guidelines, Resolution 2 will be decided by a poll.

Resolution 3
Ratification of Prior Issue of 14,500,000 Unlisted Options under ASX Listing Rule 7.1

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

That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 14,500,000 Unlisted Options having an exercise price of \$0.15 and an expiry date of 17 June 2023 to LDA Capital Limited, on the terms and conditions set out in the Explanatory Memorandum (including Annexure A to the Explanatory Memorandum).

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of LDA Capital Limited (who participated in the issue) or a person who is a counterparty to the agreement being approved or an Associate of LDA Capital Limited or those persons.

However, this does not apply to a vote cast in favour of the Resolution by (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met – (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

In accordance with ASX guidelines, Resolution 3 will be decided by a poll.

Resolution 4
Ratification of Prior Issue of 965,000 Shares under ASX Listing Rule 7.1

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

That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 965,000 Shares (at an issue price of \$0.207 per Share) to LDA Capital Limited, on the terms and conditions set out in the Explanatory Memorandum.

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of LDA Capital Limited (who participated in the issue) or a person who is a counterparty to the agreement being approved or an Associate of LDA Capital Limited or those persons.

However, this does not apply to a vote cast in favour of the Resolution by (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met – (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

In accordance with ASX guidelines, Resolution 4 will be decided by a poll.

Resolution 5
Ratification of Prior Issue of 2,000,000 Shares under ASX Listing Rule 7.1

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

That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 2,000,000 Shares to Mr Andre Douchane (or his nominee), on the terms and conditions set out in the Explanatory Memorandum.

Voting Exclusion Statement:

The Company will disregard any votes cast on this Resolution by or on behalf of Mr Douchane or any Associate of Mr Douchane and a member of the KMP or a Closely Related Party of a KMP.

However, this does not apply to a vote cast in favour of the Resolution by (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary

capacity on behalf of a beneficiary provided the following conditions are met – (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless (a) the appointment specifies the way the proxy is to vote on the Resolution; or the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note the Chair intends to vote any undirected proxies in favour of the Resolution. In exceptional circumstances, the Chair of the Meeting may change their voting intention on the Resolution, in which case an ASX Announcement will be made

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

In accordance with ASX guidelines, Resolution 5 will be decided by a poll.

Resolution 6

Approval to Grant 2,000,000 Performance Rights to the Chief Executive Officer

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

That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given to grant 2,000,000 Performance Rights to Mr Andre Douchane (or his nominee) on the terms and conditions set out in the Explanatory Memorandum.

Voting Exclusion Statement:

The Company will disregard any votes cast on this Resolution by or on behalf of Mr Douchane or any Associate of Mr Douchane and a member of the KMP or a Closely Related Party of a KMP.

However, this does not apply to a vote cast in favour of the Resolution by (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met – (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless (a) the appointment specifies the way the proxy is to vote on the Resolution; or the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note the Chair intends to vote any undirected proxies in favour of the Resolution. In exceptional circumstances, the Chair of the Meeting may change their voting intention on the Resolution, in which case an ASX Announcement will be made

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

In accordance with ASX guidelines, Resolution 6 will be decided by a poll.

SPECIAL Resolution

Resolution 7

Approval of Additional 10% Placement Capacity

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

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

In accordance with ASX guidelines, Resolution 7 will be decided by a poll.

By Order of the Board

A handwritten signature in blue ink, appearing to read 'Eryn Kestel', with a long horizontal stroke extending to the right.

Eryn Kestel
Company Secretary
12 October 2020

EXPLANATORY MEMORANDUM TO ACCOMPANY 2020 NOTICE OF ANNUAL GENERAL MEETING

2020 ANNUAL REPORT

Whilst there is no requirement for Shareholders to approve the 2020 Annual Report, Section 317 of the Corporations Act requires the Company's Financial Statements, together with the Directors', Remuneration and Auditor's Reports for the year ended 30 June 2020 to be presented to the Shareholders at the 2020 Annual General Meeting.

In accordance with sections 250S and 250T of the Corporations Act Shareholders will be given a reasonable opportunity at the AGM to ask questions and/or make comments on the Reports and on the management of the Company.

In accordance with section 250T of the Corporations Act, Shareholders will have a reasonable opportunity 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 independent audit report;
- (c) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the Auditor by the Company in relation to the conduct of the audit.

Shareholders who are unable to attend the Annual General Meeting can submit written questions to the Company and/or the Auditor provided they are submitted to the Company by no later than Friday, 20 November 2020.

Annual Report Online

Shareholders who have not elected to receive a hard copy of the Annual Report can access the report on the Company's website at <http://www.bbxminerals.com.au>

Annual Report Mailed

A printed copy of the 2020 Audited Annual Report will only be mailed to those Shareholders who have opted to receive a printed copy.

Resolution 1**Adoption of 2020 Remuneration Report**

The 2020 Annual Report contains the Remuneration Report, which, in accordance with Section 300A of the Corporations Act 2001, sets out the Company's remuneration policy, reports on the remuneration arrangements in place for Non-Executive Directors and explains the Board's policies in relation to the objectives and structure of remuneration paid to Directors during the financial year ended 30 June 2020.

The Remuneration Report is set out on pages 15 to 17 inclusive of the 2020 Annual Report, which is incorporated into the Directors' Report.

Consistent with Section 250R (2) of the Corporations Act 2001, the Company presents the Remuneration Report for the year ended 30 June 2020 to Shareholders for consideration and adoption, by way of an ordinary resolution.

The Directors believe that the Company's remuneration policies and structures as outlined in the Remuneration Report are appropriate for the size of the Company, its business and objectives. The Board continues to focus on refining and improving the Company's remuneration framework in support of the strategic direction and to determine the best way forward with remuneration policies that supports the current and future needs of the Company.

In accordance with Section 250SA of the Corporations Act, Shareholders present at the Annual General Meeting will be given an opportunity by the Chair of the Meeting to discuss the 2020 Remuneration Report.

Resolution 1 will be decided as an ordinary (majority) resolution but in accordance with section 250R (3) of the Corporations Act the outcome does not bind the Directors of the Company.

A failure of Shareholders to pass Resolution 1 will not require the Directors to alter any of the arrangements in the Remuneration Report. However, the Board will consider the outcomes of the votes when considering the future remuneration arrangements of the Company.

No Spill Resolution

The Director and Executive Remuneration Act which came into effect on 1 July 2011 provides Shareholders with the opportunity to remove the whole Board (except the Managing Director/Chief Executive Officer) under the “two strike rules”.

If at least 25% of the votes cast are against adoption of the Remuneration Report at two consecutive annual general meetings, the Company will be required to put a resolution to the second Annual General Meeting (**Spill Resolution**), to approve calling a general meeting (**Spill Meeting**). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must then convene a Spill Meeting within 90 days of the second Annual General Meeting. All the Directors who were in office when the applicable Directors’ Report was approved, other than the Managing Director, will need to stand for re-election at the Spill Meeting if they wish to continue as Directors.

The remuneration report for the financial year ended 30 June 2019 did not receive a vote of more than 25% against its adoption at the Company’s last general meeting held on 12 November 2019. Accordingly, if at least 25% of the votes cast on this Resolution are against adoption of the Remuneration Report it will not result in the Company putting a Spill Resolution to Shareholders.

Proxy Voting Restrictions

A voting exclusion applies to this Resolution in the terms set out in the Notice.

Shareholders should carefully read the Proxy Form and provide a direction to the proxy on how to vote on Resolution 1.

Recommendation of Board

The Board unanimously recommends Shareholders vote **in favour** the adoption of the 2020 Remuneration Report.

The Chairman intends to vote all available undirected proxies in favour of Resolution 1 in accordance with the express authorisation on the Proxy Form.

Resolution 2

Re-Election of Director Retiring by Rotation – Michael Schmulian

Resolution 2 seeks approval for the re-election of Mr Michael Schmulian as a Director with effect after the AGM.

ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third AGM following the director’s appointment or 3 years, whichever is the longer.

In accordance with ASX Listing Rule 14.4 and clause 14.2 of the Company’s Constitution, Directors must retire by rotation after the third Annual General Meeting since they were last elected. The Directors to retire at an Annual General Meeting are those that have been longest in office since their last election.

Mr Schmulian is the Director due to retire by rotation pursuant to the Company’s Constitution and the ASX Listing Rules and being eligible is seeking re-election as a Director of the Company

BBX currently has two (2) Directors, other than the Chief Executive Officer/Executive Director and therefore one (1) must retire by rotation.

Mr Schmulian has served as a director since 12 April 2011 and has been in office for 2 years since his last re-appointment on 22 November 2018 and accordingly retires by rotation and seeks re-election.

Mr Michael Schmulian
Non-Executive Director

Qualifications

BSc (Hons)
MSc
Fellow of AusIMM

Term

Director since 12 April 2011
Non-Executive Chairman since 02 October 2012

Independent

If re-elected, Mr Schmulian will be an independent Non-Executive Director.

Tenure of more than 10 years is a factor that the ASX recognises can impact upon Director independence.

Mr Schmulian has been a Company Director for 10 years however, the Company is of the opinion his tenure as a Director does not compromise his ability to bring independent judgement to Board decisions. Mr Schmulian has significant experience and continues to bring independent contribution to Board processes.

Experience and expertise

Mr Schmulian is a geologist with over 40 years of mining and exploration experience. His experience includes 24 years in Brazil where he established a strong network in the industry.

Mr Schmulian is a former Brazil Country Manager for Western Mining Corporation, South America brownfields Exploration Manager for Anglo Gold Ashanti and former Executive Director of Mundo Minerals Limited, responsible for establishing the Company's Engenho gold mine.

Other directorships

Mr Schmulian currently does not have any other active directorships.

If Mr Schmulian is not re-elected, he will retire from the Company as a Director and the Board may consider the appointment of an alternative director to the Board, with ratification at the Company's next AGM.

Recommendation of the Board

The Board (other than Mr Schmulian who has an interest in Resolution 2) has reviewed Mr Schmulian's performance since his appointment to the Board and considers his skill and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports his re-election and recommends for Shareholders to vote **in favour** of Resolution 2.

All available undirected proxies will be voted in favour of Resolution 2.

Background to Resolutions 3 to 5

BBX has issued a total of 17,465,000 Equity Securities, the subject of Resolutions 3 to 5 without Shareholder approval pursuant to ASX Listing Rule 7.1.

1.1 ASX Listing Rule 7.1

Broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

The issues the subject of Resolutions 3 to 5 do not fall within any exceptions provided for under ASX Listing Rule 7.1 and the issues have not been approved by Shareholders, therefore they have used up part of the Company's 15% limit in ASX Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under ASX Listing Rule 7.1 for the 12 month period following the date the Company issued the Securities.

1.2 ASX Listing Rule 7.4

ASX Listing Rule 7.4 enables the Company to ratify an issue of securities made without prior Shareholder approval under Listing Rule 7.1 if:

- (a) the issue of Shares did not breach Listing Rule 7.1; and
- (b) Shareholders subsequently approve the issue of those securities by the Company.

BBX confirms the issue of the 17,465,000 Equity Securities did not breach ASX Listing Rule 7.1 and if Shareholders approve Resolutions 3 to 5, the issues can be taken to have been approved and will not reduce the Company's capacity to issue further Equity Securities under ASX Listing Rule 7.1.

BBX wishes to retain as much flexibility as possible to issue additional Equity Securities in the future without having to always obtain Shareholder approval first under ASX Listing Rule 7.1 and therefore seeks approval to ratify the issues, the subject of Resolutions 3 to 5 for the purposes of ASX Listing Rule 7.4

Resolution 3

Ratification of Prior Issue of 14,500,000 Unlisted Options under ASX Listing Rule 7.1

On 16 June 2020, BBX announced the execution of a Put Option Agreement (POA) with the US-based institutional investment group, LDA Capital (LDA).

The POA will provide BBX with the flexibility to issue Shares to LDA over the next 3 years at the Company's discretion and to receive funds for the issue of those Shares.

In consideration of LDA entering the POA, BBX was required to issue to LDA 14,500,000 unlisted Options, each exercisable at \$0.15 on or before 17 June 2023 (**LDA Options**).

BBX did not seek Shareholder approval before issuing the LDA Options as reliance was placed upon the provisions of ASX Listing Rule 7.1. A summary of ASX Listing Rule 7.1 is set out in Section 1.1.

Resolution 3 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Unlisted Options to LDA. A summary of ASX Listing Rule 7.4 is set out in Section 1.2.

ASX Listing Rule 14.1A

If Resolution 3 is approved by Shareholders, the LDA Options will be excluded in calculating the Company's combined 25% placement limit in ASX Listing Rules 7.1 and 7.1A, increasing the number of Equity Securities BBX can issue without Shareholder approval over the 12 month period following the date of issue of the LDA Options.

If Resolution 3 is not approved by Shareholders, the LDA Options remain valid, but the issue will be included in calculating the Company's combined 25% limit in ASX Listing Rules 7.1 and 7.1A, decreasing the number of equity securities BBX can issue without Shareholder approval over the 12 month period following the date of issue of the LDA Options.

It is noted, BBX's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 7 being passed at this Meeting.

ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing 7.5, the following information is provided in relation to the LDA Options issued under ASX Listing Rule 7.1:

- (a) the LDA Options were issued to the US-based institutional investment group LDA Capital, who is not a related party of the Company;
- (b) the LDA Options were issued on 17 June 2020;
- (c) the LDA Options were issued on the terms and conditions set out in Annexure A;

- (d) the LDA Options were issued for nil consideration as they were issued at the request of LDA as a condition for executing the POA. Accordingly, BBX has not and will not receive any other consideration for the issue of the LDA Options (other than in respect of funds received on their exercise);
- (e) the purpose of the issue of the LDA Options was to part satisfy the Company's obligations under the POA;
- (f) the LDA Options were issued under the POA executed between BBX and LDA Capital, the material terms of which are set out in Annexure C; and
- (g) a voting exclusion statement has been included for the purposes of Resolution 3.

Recommendation of the Board

The Board believes the ratification of the issue of the LDA Options is in the best interests of the Company and unanimously recommends Shareholders to vote **in favour** of Resolution 3.

The Chairman intends to vote all available undirected proxies in favour of Resolution 3.

Resolution 4

Ratification of Prior Issue of 965,000 Shares under ASX Listing Rule 7.1

In accordance with clause 3.1 of the POA, BBX may drawdown any of the available funds (\$8,000,000) under the POA.

On 11 September 2020, a capital call notice was duly executed by BBX for the drawdown of funds totalling \$159,804 together with a certification of the Company's capacity under ASX Listing Rule 7.1 to issue 965,000 Shares.

BBX did not seek Shareholder approval before issuing these 965,000 Shares as reliance was placed upon the provisions of ASX Listing Rule 7.1. A summary of ASX Listing Rule 7.1 is set out in Section 1.1.

Resolution 4 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Shares to LDA. A summary of ASX Listing Rule 7.4 is set out in Section 1.2.

ASX Listing Rule 14.1A

If Resolution 4 is approved by Shareholders, the 965,000 Shares will be excluded in calculating the Company's combined 25% limit in ASX Listing Rules 7.1 and 7.1A, increasing the number of equity securities BBX can issue without Shareholder approval over the 12 month period following the date of issue of those Shares.

If Resolution 4 is not approved by Shareholders, the 965,000 Share issue remains valid, but the Share issue will be included in calculating the Company's combined 25% limit in ASX Listing Rules 7.1 and 7.1A, decreasing the number of equity securities BBX can issue without Shareholder approval over the 12 month period following the date of issue of those Shares.

It is noted, BBX's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 7 being passed at this Meeting.

ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing 7.5, the following information is provided in relation to Resolution 4:

- (a) 965,000 Shares were issued pursuant to ASX Listing Rule 7.1;
- (b) the Shares were issued to the US-based institutional investment group LDA Capital, who is not a related party of the Company;
- (c) the Shares were issued at an issue price of \$0.207 per Share being 90% of a 30 day VWAP to the 10 September 2020. BBX has not and will not receive any other consideration for the issue these Shares;

- (d) the Shares issued were all fully paid ordinary shares in the capital of the Company, issued on the same terms and conditions as the Company's existing fully paid ordinary shares and rank equally in all respects with the existing fully paid ordinary Shares on issue;
- (e) the Shares were issued on 11 September 2020;
- (f) funds raised under the Placement totalling \$199,755 (before costs) will be directed towards working capital;
- (g) the Shares were issued under the POA executed between BBX and LDA Capital, the material terms of which are set out in Annexure C; and
- (h) a voting exclusion statement has been provided for the purposes of Resolution 4.

Recommendation of the Board

The Board believes the ratification of the issue of the 965,000 Shares is in the best interests of the Company and unanimously recommends for Shareholders to vote **in favour** of Resolution 4.

The Chairman intends to vote all available undirected proxies in favour of Resolution 4.

Resolution 5

Ratification of Prior Issue of 2,000,000 Shares under ASX Listing Rule 7.1

On 21 October 2019, BBX announced the appointment of Mr Andre Douchane as the Company's new Chief Executive Officer (CEO). Mr Douchane also joined the Board as an Executive Director.

BBX negotiated the following remuneration package with Mr Douchane, to secure his services as the Company's CEO/Executive Director:

- (a) a fixed remuneration of USD\$96,000 inclusive of superannuation, which at the exchange rate current at the date of this Notice equates to AUD\$133,995.84;
- (b) 2,000,000 Ordinary Shares issued on commencement of employment, which is the subject of Resolution 5; and
- (c) 6,000,000 Performance Rights issued and vested on commencement of employment.

Shareholder approval was not sought for the issue of the Equity Securities to Mr Douchane prior to commencement of his employment with BBX because he was not a Director of BBX at the time of negotiating the terms of employment and he had no influence over the decision to issue the Equity Securities.

BBX did not seek Shareholder approval before issuing the 2,000,000 Shares as reliance was placed upon the provisions of ASX Listing Rule 7.1. A summary of ASX Listing Rule 7.1 is set out in Section 1.1.

Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Shares to Mr Andre Douchane. A summary of ASX Listing Rule 7.4 is set out in Section 1.2.

ASX Listing Rule 14.1A

If Resolution 5 is approved by Shareholders, the Shares issued to Mr Douchane will be excluded in calculating the Company's combined 15% limit in ASX Listing Rules 7.1 and 7.1A, increasing the number of equity securities BBX can issue without Shareholder approval over the 12 month period following the date of issue of these Shares.

If Resolution 5 is not approved by Shareholders, the Shares issued to Mr Douchane remains valid, however, they will be included in calculating the Company's combined 25% limit in ASX Listing Rules 7.1 and 7.1A decreasing the number of equity securities BBX can issue without Shareholder approval over the 12 month period following the date of issue of these Shares.

It is noted, BBX's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 7 being passed at this Meeting.

ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing 7.5, the following information is provided in relation to Resolution 5:

- (a) 2,000,000 Shares were issued pursuant to ASX Listing Rule 7.1;
- (b) the Shares were issued directly to Mr Andre Douchane, who is a related party of the Company by virtue of being an Executive Director following his appointment on 21 October 2019. However, at the time of the Board negotiating the employment terms of Mr Douchane, he was not a Director and was not involved in any of the discussions in relation to his salary package;
- (c) the Shares were issued at nil consideration as they were issued to secure the services of Mr Douchane as CEO and Executive Director. BBX has not and will not receive any consideration for the issue of the Shares to Mr Douchane;
- (d) the Shares issued were all fully paid ordinary shares in the capital of the Company, issued on the same terms and conditions as the Company's existing fully paid ordinary shares and rank equally in all respects with the existing fully paid ordinary Shares on issue;
- (e) the Shares were issued on 23 October 2019;
- (f) no funds were raised from the issue of the Shares. The Shares were issued to secure the services of Mr Douchane to join the BBX Board; and
- (g) a voting exclusion statement has been provided for the purposes of Resolution 5.

Mr Douchane's total remuneration package was negotiated as a combination of salary and Equity Securities, issued without prior Shareholder approval on commencement of employment, being 23 October 2019.

Recommendation of the Board

The Board believes the ratification of the issue of the 2,000,000 Shares is in the best interests of the Company and unanimously recommends for Shareholders to vote **in favour** of Resolution 5.

The Chairman intends to vote all available undirected proxies in favour of Resolution 5.

Resolution 6

Approval to Grant 2,000,000 Performance Rights to the Chief Executive Officer

BBX is of the belief that it is in a strong position to become a high margin Brazilian gold producer. There are important milestones to be achieved before a decision to mine is recommended to the Board. The Board has accordingly set performance milestones for the Company's senior executives to achieve and in this light have proposed the issue of Performance Rights to the Company's Chief Executive Officer (**CEO**)/Executive Director, Andre Douchane to align his motivation and retention with the interests of the Shareholders and Company strategy to promote the long-term growth and prosperity of BBX.

The non-cash form of Performance Rights allows BBX to spend a greater proportion of cash reserves on operations rather than sourcing alternative cash forms of remuneration.

Resolution 6 seeks Shareholder approval pursuant to ASX Listing Rule 10.11 for the issue of 2,000,000 Performance Rights to Mr Douchane as follows:

Name of Director	Number of Performance Rights	Applicable Milestone	Expiry Date
Andre Douchane (or his nominee)	2,000,000	Commencement of construction of a mine and treatment plant treating a minimum of 400 tonnes per day	4 years

Regulatory Framework

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act requires for a public company to give a financial benefit to a related party, the public company must (a) obtain the approval of shareholders in the manner set out in Sections 217 to 227 of the Corporations Act and (b) give the benefit within 15 months following such approval unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

Mr Douchane is a related party of BBX by virtue of being the CEO/Executive Director of BBX and the issue of the Performance Rights, the subject of Resolution 6, falls within the definition of a “financial benefit” for the purposes of the Corporations Act.

The issue of the Performance Rights to Mr Douchane does for the purposes of Chapter 2E of the Corporations Act constitute the giving of a financial benefit to a related party of BBX.

However, the independent directors Messrs Schmulian and Dix have relied on Section 211 of the Corporations Act and confirms the grant of the Performance Rights contemplated by Resolution 6 is reasonable remuneration given Mr Douchane’s base salary (USD\$96,000 inclusive of Superannuation) is well below market comparative senior executive remuneration levels.

ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX’s opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the issue of the Performance Rights involves the issue of securities to a related party of BBX, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies.

It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

ASX Listing Rule 7.1

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the Performance Rights as approval is being obtained under ASX Listing Rule 10.11. Accordingly, should Resolution 6 be approved by Shareholders, the issue of the Performance Rights to Mr Douchane will not be included in the use of the Company’s 15% placement capacity pursuant to ASX Listing Rule 7.1.

If Resolution 6 is passed, BBX will be able to proceed with the issue of the Performance Rights to Mr Douchane and if Resolution 6 is not passed, BBX will not be able to proceed with the issue of the Performance Rights to Mr Douchane.

Section 219 of the Corporations Act and ASX Listing Rule 10.13

Pursuant to and in accordance with the requirements of Section 219 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to Resolution 6:

- (a) the following person will be given Securities under Resolution 6: Mr Andre Douchane (or his nominee) – 2,000,000 Performance Rights;

Mr Douchane, who will receive the Performance Rights is CEO/Executive Director of BBX Minerals Limited and is therefore a related party under ASX Listing 10.11.1 and/or ASX Listing Rule 10.11.14 an associate of a person referred to in ASX Listing Rule 10.11.1;

- (b) The date the Performance Rights will be issued pursuant to Resolution 6 will be no later than one month after the date of the 2020 AGM, that is no later than 27 December 2020 (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended the 2,000,000 Performance Rights will occur in total on the same date;

- (c) the Performance Rights will be issued for nil cash consideration as they represent a remuneration incentive to the CEO/Executive Director to grow the BBX operations to production and are issued in lieu of cash remuneration, accordingly no funds will be raised from the issue of these Performance Rights;

ASX Listing Rule 10.13.8 states if the person is a director of the Company and therefore a related party under ASX Listing Rule 10.11.1 and the issue of Securities is intended to remunerate or incentivise the director details (including the amount) of the director's current total remuneration package is to be outlined. The remuneration package negotiated with Mr Douchane was a salary of USD\$96,000 (inclusive of superannuation) which at the exchange rate as at the date of this Notice converts to AUD\$133,995.84. For the eight months ended 23 September 2020, BBX Minerals Limited has paid Mr Douchane AUD\$91,291.23.

- (d) Mr Douchane currently holds 2,000,000 fully paid Ordinary Shares and 6,000,000 Performance Rights. If Resolution 6 is approved by Shareholders and following the issue of the 2,000,000 Performance Rights, Mr Douchane will hold a total of 10,000,000 Performance Rights;
- (e) upon each Performance Right vesting and being converted into 2,000,000 Shares, the Shares will be issued on the same terms as all existing Shares in BBX;
- (f) if the Performance Rights are issued and all vest and convert into Shares, this could increase the number of Shares on issue from 420,645,026 to 422,645,026 (assuming no other Shares are issued, No Options are exercised and no Performance Rights other than those contemplated by Resolution 6 of this Notice are issued and convert) with the effect that the shareholding of existing Shareholders would be diluted by 0.473%;
- (g) a summary of the terms of the Performance Rights is set out in Annexure B;
- (h) the Performance Rights are not being issued under an agreement; and
- (i) a voting exclusion statement has been included for the purposes of Resolution 6.

Recommendation of the Board

The Board (other than Mr Douchane, who has a material personal interest in the outcome of the Resolution on the basis he is the Director to be issued with the Performance Rights) recommends Shareholders vote **in favour** of the issue of the Performance Rights because they are an effective form of reward, as Mr Douchane will only receive value from the Performance Rights (that is the Performance Shares vesting and being converted to Shares) once the Company obtains real value from the set-up of a mine and treatment plant.

The Chairman intends to vote all available undirected proxies in favour of Resolution 6.

Resolution 7

Approval of Additional 10% Placement Capacity

ASX Listing Rule 7.1A enables an eligible entity to seek approval from its Shareholders, by way of a special resolution passed at an AGM to increase the 15% limit allowed for under ASX Listing 7.1 by an extra 10% to 25% (**7.1A Mandate**).

An eligible entity is an entity which is not included in the S&P ASX 300 Index and which has a market capitalisation of \$300 million or less. BBX is an eligible entity for these purposes.

Resolution 7 seeks Shareholder approval by way of a special resolution for BBX to have the additional 10% capacity provided for in ASX Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

ASX Listing Rule 14.1A

If Resolution 7 is approved by Shareholders, BBX will be able to issue Equity Securities up to the combined 25% limited in ASX Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 7 is not approved by Shareholders, BBX will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval provided for in ASX Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without shareholder approval set out in Listing Rule 7.1.

At the date of this Notice of Meeting, BBX has on issue 420,645,026 Shares and subject to Shareholder approval being obtained under Resolution 7, 42,064,503 Equity Securities will be able to be issued in accordance with ASX Listing Rule 7.1A.

Technical Information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.1A, the information below is provided in relation to Resolution 7:

Period for which the 7.1A Mandate is valid

The 7.1A Mandate will commence on the date of the 2020 AGM and will expire on the first to occur of the following:

- (i) the date that is 12 months after the date of the 2020 AGM;
- (ii) the time and date of the Company's next AGM; or
- (iii) the time and date of approval by Shareholders of any transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or ASX Listing Rule 11.2 (disposal of main undertaking).

Minimum Price

Equity Securities issued under the 7.1A Mandate must be in an existing class of quoted Equity Securities and be issued at a minimum price of 75% of the volume weighted average price (VWAP) of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (1) the date on which the price at which the Equity Securities are to be issued is agreed by BBX and the recipient of the Securities; or
- (2) if the Equity Securities are not issued within 10 trading days of the date in paragraph (1) above, the date on which the Equity Securities are issued.

Use of funds raised under the 7.1A Mandate

The funds raised from issues of Equity Securities under the 7.1A Mandate will be directed towards exploration opportunities as well as new mineral projects acquired by BBX during the period ahead, drilling programs and working capital.

Risk of Economic and Voting Dilution

An issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 7 is approved by Shareholders and BBX issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A.2 on the basis of the closing market price of Shares and the number of Equity Securities on issue as at 6 October 2020.

Shares on Issue	Dilution Table			
<i>Variable A in Listing Rule 7.1A.2</i>		\$0.022 50% decrease in Issue Price	\$0.043 Current Share Price	\$0.086 100% increase in Issue Price
Current Issued Shares 420,645,026	10% Voting Dilution	42,064,503 Shares	42,064,503 Shares	42,064,503 Shares
	Funds raised	\$925,419	\$1,808,774	\$3,617,547
50% increase in Issued Shares	10%			

630,967,539 Shares*	Voting Dilution	63,096,754 Shares	63,096,754 Shares	63,096,754 Shares
	Funds raised	\$1,388,129	\$2,713,160	\$5,426,321
100% increase in Issued Shares	10% Voting Dilution	84,129,005 Shares	84,129,005 Shares	84,129,005 Shares
841,290,052 Shares*	Funds raised	\$1,850,838	\$3,617,547	\$7,235,094

*The number of Shares on issue could increase because of the issue of Shares that do not require Shareholder approval (such as under a pro rata rights issue or shares issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The following assumptions were made when preparing the dilution table:

1. There are currently **420,645,026** Shares on issue as at the date of this Notice of Meeting;
2. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares;
3. The Company issues the maximum number of Equity Securities available under the 10% Placement Capacity;
4. No Options are exercised into Shares before the date of the issue of the Equity Securities;
5. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. Therefore, the voting dilution is shown in each example as 10%;
6. The table does not show the dilution affect that may be caused to a Shareholder;
7. The table only shows the effect of issues of Equity Securities under Listing Rule 7.1A not under the 15% Placement Capacity under Listing Rule 7.1; and
8. The issue price of \$0.043 is the closing price of the Shares on the ASX as of 06 October 2020

There is a risk the market price for the Company's Equity Securities may be significantly lower on the issue date than on the date of the AGM and the Company's Equity Securities may be issued at a price that is at a discount to the market price for those Equity Securities on the date of issue.

Allocation Policy under the 7.1A Mandate

The persons to whom Equity Securities can be issued to under the 7.1A Mandate have not been determined as at the date of this Notice. Recipients of Equity Securities could consist of current Shareholders or new investors (or both), who are not related parties or associates of a related party of the Company.

The Company will determine the recipients at the time of the issue under the 7.1A Mandate, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, placement or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Calculation of Equity Securities

The calculation of the number of Equity Securities permitted to be issued pursuant to the 7.1A Mandate is a moving calculation and will be based on the formula set out in ASX Listing Rule 7.1A.2. The formula is:

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

A is the number of Shares on issue 12 months before the date of issue or agreement being the relevant period:

- plus, the number of fully paid shares issued in the relevant period under an exception in Listing Rule 7.2 other than exceptions 9,16 or 17;
- plus, the number of fully paid shares issued in the relevant period on conversion of convertible securities within Listing Rule 7.2 Exception 9 where:

- (1) the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
- (2) the issue of, or agreement to issue, the convertible securities approved, or taken to have been approved, under Listing Rule 7.1 or 7.4;
- plus, the number of fully paid ordinary shares issued in the relevant period under an agreement to issue securities with ASX Listing Rule 7.2 Exception 16 where
 - (1) the agreement was entered into before the commencement of the relevant period; or
 - (2) the agreement or issue was approved, or taken under these rules to have been approved, under ASX Listing Rules 7.1 and 7.4;
- plus, the number of fully paid shares issued in the relevant period with approval of holders of Shares under Listing Rule 7.1 and 7.4 (which does not include the 10% Placement Capacity);
- plus, the number of partly paid Shares that become fully paid in the relevant period;
- less the number of fully paid shares cancelled in the relevant period.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% Placement Capacity.

D is 10%;

E is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the relevant period where the issue or agreement to has not been subsequently approved by Shareholders under Listing Rule 7.4.

Previous approval under Listing Rule 7.1A

BBX has not previously issued Equity Securities under ASX Listing Rule 7.1A2 in the 12 months preceding the date of the 2020 AGM.

Recommendation of the Board

The Board unanimously recommends Shareholders vote in favour of Resolution 7, as it allows the Company flexibility to issue Shares at a discount to the then market price in circumstances where it might otherwise be subjected to the cost, delay and uncertainty of having to go back to Shareholders for approval.

The additional flexibility and speed to conduct capital raising will better position the Company to pursue its interests in the prevailing difficult market conditions.

The Chairman intends to vote all available undirected proxies in favour of Resolution 7.

As at the date of this Notice, BBX is not proposing to make an issue of Equity Securities under ASX Listing Rule 7.1A. Accordingly, a voting exclusion statement is not included in this Notice.

GLOSSARY

\$ means Australian dollars.

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

Associate has the meaning given to that term in the ASX Listing Rules.

ASX means ASX Limited or the Australian Securities Exchange, as the context requires.

ASX Listing Rules or **Listing Rules** means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Chair means the chair of the Meeting

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

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

Company means BBX Minerals Limited (ACN 089 221 634).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Director means the current directors of the Company.

Explanatory Memorandum means the explanatory memorandum forming part of the Notice of Meeting as set out on pages 8 to 19.

Equity Securities has the same meaning as in the ASX Listing Rules but includes:

- (a) a share;
- (b) a unit;
- (c) a right to a share or unit or option;
- (d) an option over an issued or unissued security;
- (e) a convertible security;
- (f) any security that ASX decides to classify as an equity security
- (g) BUT not a debt security

Key Management Person is defined by AASB 124 Related Party disclosures as all directors and 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.

Meeting means the meeting convened by this Notice of Meeting.

Notice of Annual General Meeting or Notice or Notice of Meeting means this notice of annual general meeting including the Explanatory Memorandum.

Option means an option to acquire a Share.

Option holder means a holder of an Option.

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

Performance Right has the meaning given on page 14.

Proxy Form means the proxy form accompanying the Notice of Meeting.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2020.

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

Section means a section of the Explanatory Memorandum.

Shareholder means a holder of a Share.

VWAP means the volume weighted average price.

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

ANNEXURE A – TERMS AND CONDITIONS OF UNLISTED OPTIONS ISSUED TO LDA CAPITAL

Entitlement

- 1 Subject to and conditional upon any adjustment in accordance with these conditions, each Option entitles the holder to subscribe for one fully paid ordinary share (**Share**) upon payment of the Exercise Price.

Exercise Price

- 2 Subject to paragraph 3, the Exercise Price of each Option is AUD 0.15 (**Exercise Price**).
- 3 **Market Price** means the volume weighted average price of trading in the Company's shares on the ASX, excluding block trades, large portfolio trades, permitted trades during the pre- trading hours period, permitted trades during the post-trading hours period, out of hours trades and exchange traded option exercises, for the 15 Trading Days ending on the day immediately before the Relevant Date.

Exercise Period

- 4 An Option is exercisable at any time on or before 5.00pm (Sydney time) on the third anniversary of the date of grant (the **Expiry Date**). Options not exercised by the Expiry Date lapse.

Manner of exercise of Options

- 5 Each Option may be exercised by notice in writing addressed to the Company's registered office. The minimum number of Options that may be exercised at any one time is 1,000. Payment of the Exercise Price for each Option must accompany each notice of exercise of option. All cheques must be payable to the Company and be crossed 'not negotiable'.

Ranking of Shares

- 6 Shares issued on the exercise of Options will rank equally with all existing shares on and from the date of issue in respect of all rights issues, bonus share issues and dividends which have a record date for determining entitlements on or after the date of issue of those shares

Timing of issue of shares

- 7 After an Option is validly exercised, the Company must as soon as possible:
 - (a) issue and allot the share as soon as possible; and
 - (b) do all such acts matters and things to obtain the grant of quotation for the shares on ASX no later than 5 business days from the date of exercise of the Option.

Options transferrable

- 8 Options may be transferred in the same manner as shares and may be exercised by any other person or body corporate.

Participation in new issues

- 9 An Option holder may participate in new issues of securities to holders of shares only if and to the extent that:
- (a) an Option has been exercised; and
 - (b) a share has been issued in respect of the exercise before the record date for determining entitlements to the new issue.
- 10 The Company must give notice to the Option holder of any new issue not less than 10 Business Days before the record date for determining entitlements to the issue.

Adjustment for bonus issues of shares

- 11 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 Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
 - (b) no change will be made to the Exercise Price.

Adjustment for rights issue

- 12 If the Company makes an issue of shares pro rata to existing shareholders (other than an issue in lieu of in satisfaction of dividends or by way of dividend reinvestment) the Exercise Price of an Option will be reduced according to the following formula:

$$\text{New exercise price} = O - \frac{E[P-(S+D)]}{N + 1}$$

O = the old Exercise Price of the Option.

E = the number of underlying shares into which one Option is exercisable.

P = the average market price per share (weighted by reference to volume) of the underlying shares during the 5 trading days ending on the day before the ex-rights date or ex entitlements date.

S = the purchase price of a share under the pro rata issue.

D = the dividend due but not yet paid on the existing underlying shares (except those to be issued under the pro rata issue).

N = the number of shares with rights or entitlements that must be held to receive a right to one new share.

Reconstructions

- 13 If there is any reconstruction of the issued share capital of the Company, the number of shares to which the Option holder is entitled, and/or the Exercise Price, must be reconstructed in a manner which complies with the Listing Rules (which will not result in any benefits being conferred on the Option holder which are not conferred on shareholders and subject to the provisions with respect to rounding of entitlements as sanctioned by the meeting of shareholders approving the reconstruction of capital), but in all other respects, the terms for the exercise of an Option will remain unchanged.

ANNEXURE B – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

The following terms and conditions apply to all Performance Shares unless otherwise indicated:

- (a) **(Entitlement)** Each Performance Right entitles the holder to subscribe for one Share upon satisfaction of the Milestone (defined below) and issue of the Conversion Notice (defined below) by the Holder.
- (b) **(Issue Price)** Each Performance Right shall be granted for nil consideration.
- (c) **(Notice of Satisfaction of Milestone)** The Company shall give written notice to the Holder promptly following satisfaction of the Milestone (defined below) or lapse of a Performance Right where the Milestone is not satisfied.
- (d) **(No Voting Rights)** A Performance Right does not entitle the Holder to vote on any resolutions proposed by the Company, except as otherwise required by law.
- (e) **(No Dividend Rights)** A Performance Right does not entitle the Holder to any dividends.
- (f) **(No rights to return of capital)** A Performance Right does not entitle the Holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (g) **(Rights on Winding Up)** Upon winding up of the Company, the Performance Right does not entitle the Holder to participate in the surplus profits or assets of the Company upon winding up.
- (h) **(Transfer of Performance Right)** A Performance Right is not transferable.
- (i) **(Reorganisation of Capital)** In the event that the issued capital of the Company is reconstructed, all rights of a Holder will be changed to the extent necessary to comply with the applicable ASX Listing Rules and Corporations Act at the time of reorganisation.
- (j) **(Application to the ASX)** The Performance Rights will not be quoted on the ASX. However, the Company must apply for the official quotation of a Share issued on conversion of a Performance Right on ASX within the time required by the ASX Listing Rules.
- (k) **(Participation in Entitlements and Bonus Issues)** Holders of Performance Shares will not be entitled to participate in new issues of capital offered to holders of the Shares such as bonus issues and entitlement issues.
- (l) **(Change in Control)** The Performance Shares will not convert into Shares in the event of a change in control of the Company.
- (m) **(No Other Rights)** A Performance Right gives the Holders no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

Conversion of the Performance Shares

- (n) **(Milestone)** A Performance Right will be able to be converted into a Share by a Holder subject to the achievement of the following milestone:
 - (i) Start-up of a mine and treatment plant treating a minimum of 400 tonnes per day
- (o) **(Lapse)** A Performance Right will lapse and become unable to be exercised on the earliest of
 - (i) The date the Board determines the Milestone in respect of the Performance Right cannot be satisfied; or
 - (ii) The date that is four years from the date of issue
- (p) **(Takeovers Threshold)** A Performance Right will not convert into Shares to the extent that such conversion would result in the Holder (or some other person) breaching the prohibition set out in Sections 606 and 611 of the Corporations Act.

- (q) **(Issue of Shares)** The Company will issue the Share on conversion of a Performance Right within 10 business days following the conversion or such other period required by the ASX Listing Rules.
- (r) **(Ranking upon Conversion)** The Shares issued on conversion of the Performance Shares will, as and from 5.00pm (WST) on the date of issue, rank equally with and confer rights identical with all other Shares issued upon conversion.
- (s) **(Holding Statement)** The Company will issue the Holder with a new holding statement for any Share issued upon conversion of a Performance Right within 10 business days following the issue of the Share.
- (t) **(Ranking upon Conversion)** The Shares into which a Performance Right may convert will rank pari passu in all respects with the Shares on issue at the date of conversion.
- (u) **(Variation of terms and conditions)** The terms and conditions of a Performance Right will not be changed without the approval of the ASX and the Shareholders.

ANNEXURE C – MATERIAL TERMS AND CONDITIONS OF PUT OPTION AGREEMENT

- (a) Term 36 months
- (b) Put option of up to \$8 million at Company's election
- (c) The Put option is priced at 90% of the 15 day VWAP of the Company's shares following the exercise by the Company with a minimum price set by the Company
- (d) The number of shares subject to a put option for a period is a maximum of 10 times the average daily number of the Company's shares traded on the ASX during a 15 day period before its exercise.
- (e) 14.5m unlisted options issued by the Company's to LDA with a 3 year term exercisable at \$0.15. The options will be issued under the Company's existing 7.1 placement capacity.
- (f) A commitment fee of 2% (A\$160,000) is payable by applying 20% of each put option towards its payment with at least A\$80,000 within 6 months with any balance due payable after 12 months.

LDA can hold a maximum of 9.95 percent of BBX Minerals' shares.

**APPOINTMENT OF PROXY
BBX MINERALS LIMITED
ACN 089 221 634**

2020 ANNUAL GENERAL MEETING PROXY FORM

Member Details

Name:
Address:
Contact Telephone No:

Appointment of Proxy

I/We being a Member/s of the Company and entitled to attend and vote hereby appoint

Chairman of the Meeting **OR**

Or failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to attend and act generally at the Annual General Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of BBX Minerals Limited to be held at The Sandpiper Boardroom, 37 St Georges Terrace, Perth WA 6000 on Friday, 27 November 2020 at 10.00am (WST) and at any adjournment of that meeting.

AUTHORITY FOR CHAIRMAN TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTION

Where the Chairman has been appointed as proxy, the Chairman is expressly authorised to exercise the proxy on Resolution 1 (except where indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chairman.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chairman intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances, the Chairman may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

Voting on business of the Meeting		FOR	AGAINST	ABSTAIN
Non-Binding Resolution				
Resolution 1	Adoption of 2020 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ordinary Resolutions – 2 to 6				
Resolution 2	Re-election of Director Retiring by Rotation – Mr Michael Schmulian	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of the prior issue of 14,500,000 Unlisted Options under ASX Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of the prior issue of 965,000 Shares under ASX Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Ratification of the prior issue of 2,000,000 Shares under ASX Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval to Grant 2,000,000 Performance Rights to Chief Executive Officer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special Resolution				
Resolution 7	Approval of Additional 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please Note: By marking the Abstain box for any of the Resolutions you are directing the 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.

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

PLEASE SIGN HERE
Individual or Member 1

Sole Director and
Sole Company Secretary

Member 2

Director

Member 3

Director/Company Secretary