
KOPPAR RESOURCES LIMITED

ACN 624 223 132

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 9.00 am (WST)

DATE: Friday, 30 November 2018

PLACE: Suite 2, Level 1, 1 Altona Street West Perth WA 6005

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

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5.00pm (WST) on Wednesday, 28 November 2018.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2018 together with the declaration of the directors, the director's report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF 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 purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2018.”

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (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 a member.

However, a person (the **voter**) 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:

- (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 and the appointment of the Chair as proxy:
 - (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 though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. RESOLUTION 2 – ELECTION OF DIRECTOR – PATRICK BURKE

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

“That, for the purpose of clause 13.4 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Patrick Burke, a Director who was appointed casually on 5 February 2018, retires, and being eligible, is elected as a Director.”

4. RESOLUTION 3 – ELECTION OF DIRECTOR – REBECCA MORGAN

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

“That, for the purpose of clause 13.4 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Rebecca Morgan, a Director who was appointed casually on 5 February 2018, retires, and being eligible, is elected as a Director.”

5. **RESOLUTION 4 – ELECTION OF DIRECTOR – WILLIAM (BILL) OLIVER**

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

“That, for the purpose of clause 13.4 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, William (Bill) Oliver, a Director who was appointed casually on 5 February 2018, retires, and being eligible, is elected as a Director.”

6. **RESOLUTION 5 – RATIFICATION OF ISSUE OF OPTIONS TO CORPORATE ADVISOR**

To consider and, if thought fit, to pass, with or without amendment, 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 4,750,000 Options to Xcel Capital (or its nominees) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, 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.

7. **RESOLUTION 6 – GRANT OF PERFORMANCE RIGHTS TO DIRECTOR – PATRICK BURKE**

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to grant 1,300,000 Related Party Performance Rights to Patrick Burke (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Patrick Burke (or his nominee) or any of their associates (**Resolution 6 Excluded Party**). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, provided the Chair is not a Resolution 6 Excluded Party, 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.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 6 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

8. RESOLUTION 7 – GRANT OF PERFORMANCE RIGHTS TO DIRECTOR – REBECCA MORGAN

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to grant 1,300,000 Related Party Performance Rights to Rebecca Morgan (or her nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Ms Rebecca Morgan (or her nominee) or any of their associates (**Resolution 7 Excluded Party**). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, provided the Chair is not a Resolution 7 Excluded Party, 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.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 7 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

9. RESOLUTION 8 – GRANT OF PERFORMANCE RIGHTS TO DIRECTOR – WILLIAM (BILL) OLIVER

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to grant 1,300,000 Performance Rights to William Oliver (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr William Oliver (or his nominee) or any of their associates (**Resolution 8 Excluded Party**). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, provided the Chair is not a Resolution 8 Excluded Party, 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.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or

- (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 8 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

10. RESOLUTION 9 – APPOINTMENT OF AUDITOR AT FIRST AGM

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

“That, for the purposes of section 327B of the Corporations Act and for all other purposes, RSM Australia Partners, having been nominated by a Shareholder and having consented in writing to act in the capacity of auditor, be appointed as auditor of the Company with effect from the close of the meeting.”

11. RESOLUTION 10 – APPROVAL OF 10% PLACEMENT CAPACITY

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

“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, 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.

12. RESOLUTION 11 – ADOPTION OF PERFORMANCE RIGHTS PLAN

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

“That, for the purposes of ASX Listing Rule 7.2 (Exception 9(b)) and for all other purposes, approval is given for the Company to adopt an employee incentive scheme titled Performance Rights Plan and for the issue of securities under that Plan, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any Director except one who is ineligible to participate in any employee incentive scheme in relation to the Company, or any associates of those Directors. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy

Form, or, 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.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Dated: 23 October 2018

By order of the Board



Mauro Piccini
Company Secretary

Voting in person

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

Voting by proxy

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

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

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

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

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 +61 8 6381 0035.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2018 together with the declaration of the directors, the directors' report, the Remuneration Report and the auditor's report.

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

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

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

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

2.3 First Annual General Meeting

This meeting is the Company's first annual general meeting since being admitted to the Official List of ASX. Accordingly, the Spill Resolution will not be considered until the annual general meeting next year.

3. RESOLUTIONS 2, 3 & 4 – ELECTION OF DIRECTORS

3.1 General

The Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to the Constitution and ASX Listing Rule 14.4, any Director so appointed holds office only until the next following annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Messrs Patrick Burke, Rebecca Morgan and William (Bill) Oliver, having been appointed by other Directors on 5 February 2018 in accordance with the Constitution, will retire in accordance with the Constitution and ASX Listing Rule 14.4 and being eligible, seeks election from Shareholders.

The relevant qualifications, experience and interests of each of the Directors is set out below.

3.2 Resolution 2 - Patrick Burke (Executive Chairman)

Qualifications and other material directorships

Mr Burke holds a Bachelor of Law from the University of Western Australia. He has extensive legal and corporate advisory experience and over the last 10 years has acted as a Director for a large number of ASX, NASDAQ and AIM listed companies. His legal expertise is in corporate, commercial and securities law in particular capital raisings and mergers and acquisitions. His corporate advisory experience includes identification and assessment of acquisition targets, strategic advice, deal structuring and pricing, funding, due diligence and execution. He is currently a Non-Executive Director of ASX listed Bligh Resources Limited, Triton Minerals Limited, Meteoric Resources Limited, Tando Resources and Transcendence Technologies Limited as well as NASDAQ listed WestWater Resources, Inc.

Independence

Mr Burke has no interests, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the board and to act in the best interest of the entity and its security holders generally.

The Board considers that Mr Burke is not an independent Director by virtue of his role as an executive.

3.3 Resolution 3 – Rebecca Morgan (Non-Executive Technical Director)

Qualifications and other material directorships

Ms Morgan holds a Bachelor of Science with honors in Applied Geology from Curtin University in Western Australia as well as a Post Graduate Diploma (Mine Engineering), and a Masters in Engineering Science (Mine Planning) from Curtin University in Western Australia. Miss Morgan has over 16 years experience in the international resource sector working for both junior exploration companies and

major mining companies. Her industry experience covers project generation, exploration, development, and expansion as well as day-to-day operational duties whilst living and working across a number of continents, including Africa, South America, and Europe. Rebecca has extensive knowledge and experience in resource evaluation, and project assessment. She previously worked as a Senior Resource Consultant for Optiro Pty Ltd for 5 years and most recently was the Geology & Business Development Manager for Minbos Resources in Angola. Ms Morgan is currently the Exploration Manager for Minbos Resources and is a member of the Australian Institute of Geoscientists and the Australasian Institute of Mining and Metallurgy.

Independence

Ms Morgan has no interests, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect her capacity to bring an independent judgement to bear on issues before the board and to act in the best interest of the entity and its security holders generally.

The Board considers that Ms Morgan is not an independent Director by virtue of her role as Technical Director.

3.4 Resolution 4 – William (Bill) Oliver (Non-Executive Director)

Qualifications and other material directorships

William (Bill) Oliver has 18 years' experience in the international resources industry working for both major and junior companies. He holds an Honours Degree in Geology from the University of Western Australia as well as a Post-Graduate Diploma in Finance and Investment from FINSIA. Mr Oliver has led large scale resource definition projects in the Pilbara for Rio Tinto, managed exploration in Portugal for Iberian Resources Limited, including target generation and grassroots exploration across a range of commodities, and worked in near mine exploration/resource definition roles including exploration manager for Bellamel Mining and BC Iron. Mr Oliver was previously Managing Director of Signature Metals and Technical Director of Orion Gold NL (ASX:ORN). He is currently Managing Director of Tando Resources (ASX:TNO) and non-executive director of Minbos Resources Ltd (ASX:MNB), Celsius Resources Limited (ASX:CLA) and Aldoro Resources Limited (ASX:ALR). He has wide-ranging exploration experience including expertise in near-mine exploration/resource extension and resource definition as well as significant experience in the technical and economic evaluation of resources projects across a range of commodities and jurisdictions.

Independence

Mr Oliver has no interests, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the board and to act in the best interest of the entity and its security holders generally.

The Board considers that Mr Oliver will be an independent director.

3.5 Board recommendation

The Board supports the re-election of Messrs Patrick Burke, Rebecca Morgan and William (Bill) Oliver and recommends that Shareholders vote in favour of Resolutions 2, 3 and 4.

4. RESOLUTION 5 – RATIFICATION OF ISSUE OF OPTIONS TO CORPORATE ADVISOR

4.1 General

On 20 July 2018, the Company issued 4,750,000 Options (**Advisor Options**) to Xcel Capital Pty Ltd (**Xcel Capital**) at an issue price of \$0.01 per Option to raise \$47,500 (**Issue**).

This Resolution seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Advisor Options (**Ratification**).

The Advisor Options were issued to Xcel Capital in connection with an underwriting agreement between the Company and Xcel Capital in relation to the Loyalty Option Issue.

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

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

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

4.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Issue:

- (a) 4,750,000 Options were issued;
- (b) the issue price was \$0.01 per Option;
- (c) the Options were issued to Xcel Capital Pty Ltd (or its nominee) which is not a related party of the Company;
- (d) the Options will be issued on the terms and conditions set out in Schedule 1; and
- (e) the funds raised from the Issue were used for working capital purposes.

5. RESOLUTIONS 6, 7 & 8 – GRANT OF PERFORMANCE RIGHTS TO DIRECTORS

5.1 General

The Company has agreed, subject to obtaining Shareholder approval, to grant a total of 3,900,000 performance rights (**Related Party Performance Rights**) to Patrick Burke, Rebecca Morgan and William Oliver (**Related Parties**) as follows:

Director	Class A	Class B	Class C
Patrick Burke	400,000	400,000	500,000
Rebecca Morgan	400,000	400,000	500,000
William (Bill) Oliver	400,000	400,000	500,000
Total	1,200,000	1,200,000	1,500,000

The Related Party Performance Rights shall have the following vesting conditions:

- (a) **Class A Performance Rights:** Class A Performance Rights will vest if, at any time within 36 months following the date of grant of the Performance Rights, the VWAP of the Company's Shares as traded on the ASX over five (5) consecutive trading days is equal to or greater than \$0.40 (forty cents);
 - (b) **Class B Performance Rights:** Class B Performance Rights will vest if, at any time within 36 months following the date of grant of the Performance Rights, the VWAP of the Company's Shares as traded on the ASX over five (5) consecutive trading days is equal to or greater than \$0.75 (seventy-five cents); and
 - (c) **Class C Performance Rights:** Class C Performance Rights will vest if, at any time within 36 months following the date of grant of the Performance Rights, the VWAP of the Company's Shares as traded on the ASX over five (5) consecutive trading days is equal to or greater than \$1.10 (one dollar and ten cents),
- (together, the **Vesting Conditions**).

Refer to Schedule 2 for the full terms and conditions of the Related Party Performance Rights.

5.2 Financial Benefit

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members 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.

The grant of the Related Party Performance Rights constitutes giving a financial benefit and Messrs Burke, Morgan and Oliver are related parties of the Company by virtue of being Directors.

In addition, 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 each of the Directors are to be granted Performance Rights if Resolutions 6, 7 and 8 are passed, the Directors are unable to form a quorum to consider whether the issue of the Performance Rights is on arm's length terms or amounts to reasonable remuneration. Accordingly, the Company is seeking Shareholder approval for the grant of Related Party Performance Rights to the Related Parties.

5.3 Shareholder Approval (Chapter 2E of the Corporations Act and Listing Rule 10.11)

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 the proposed grant of Related Party Performance Rights:

- (a) the related parties are Messrs Burke, Morgan and Oliver and they are related parties by virtue of being Directors;
- (b) the maximum number of Related Party Performance Rights (being the nature of the financial benefit being provided) to be granted to the Related Parties is:
 - (i) 1,300,000 Related Party Performance Rights to Patrick Burke;
 - (ii) 1,300,000 Related Party Performance Rights to Rebecca Morgan; and
 - (iii) 1,300,000 Related Party Performance Rights to William Oliver;
- (c) the Related Party Performance Rights will be granted to the Related Parties no later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Related Party Performance Rights will be issued on one date;
- (d) the Related Party Performance Rights will be granted for nil cash consideration, accordingly no funds will be raised;
- (e) the terms and conditions of the Related Party Performance Rights are set out in Schedule 2;
- (f) the value of the Related Party Performance Rights and the pricing methodology is set out in Schedule 3;
- (g) the relevant interests of the Related Parties in securities of the Company are set out below:

Related Party	Shares	Options
Patrick Burke	Nil	Nil
Rebecca Morgan	250,000 ¹	62,500 ²
William Oliver	Nil	Nil

Notes:

1. As part of the Company's acquisition of Koppar Resources Europe, Ms Morgan received 250,000 fully paid ordinary shares as consideration.
2. On 20 July 2018, the Company issued to Ms Morgan 62,500 options exercisable at \$0.285 on or before the date which is two years and 6 months from the date of issue.

- (h) the remuneration and emoluments from the Company to the Related Parties for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out below:

Related Party	Current Financial Year (FY18)	Previous Financial Year (FY17)
Patrick Burke	\$120,000	\$50,000
Rebecca Morgan	\$100,000 ¹	\$17,000
William Oliver	\$60,000 ²	\$20,333

Notes:

1. Ms Morgan receives a Director's fee of \$36,000 per annum and geological consultancy fees of \$5,333 per month.
2. Mr Oliver receives a Director's fee of \$36,000 per annum and geological consultancy fees of \$2,000 per month.

- (i) if the Related Party Performance Rights granted to the Related Parties vest and are exercised, a total of 3,900,000 Shares would be issued. This will increase the number of Shares on issue from 31,750,001 to 35,650,001 (assuming that no other Shares are issued) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 10.93%, comprising 3.64% by Patrick Burke, 3.64% by Rebecca Morgan and 3.64% by William Oliver.

The market price for Shares during the term of the Related Party Performance Rights would normally determine whether or not the Related Party Performance Rights vest. If, at any time any of the Related Party Performance Rights vest and the Shares are trading on ASX at a price that is higher than the vesting price of the Related Party Performance Rights, there may be a perceived cost to the Company.

- (j) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	28.5 cents	30 May 2018
Lowest	22 cents	13 September 2018
Last	25 cents	8 October 2018

- (k) the Board acknowledges the grant of Related Party Performance Rights to Messrs Morgan and Oliver is contrary to Recommendation 8.3 of The Corporate Governance Principles and Recommendations with 2010 Amendments (2nd Edition) as published by The ASX Corporate Governance Council. However, the Board considers the grant of Related Party Performance Rights to Messrs Morgan and Oliver reasonable in the circumstances for the reason set out in paragraph (m);
- (l) the primary purpose of the grant of the Related Party Performance Rights to the Related Parties is to provide a performance linked incentive component in the remuneration package for the Related Parties to motivate and reward the performance of the Related Parties in their respective roles as Directors;
- (m) Patrick Burke declines to make a recommendation to Shareholders in relation to Resolution 6 due to Mr Burke's material personal interest in the outcome of the Resolution on the basis that Mr Burke is to be granted Related Party Performance Rights in the Company should Resolution 6 be passed. However, in respect of Resolutions 7 and 8, Mr Burke recommends that Shareholders vote in favour of those Resolutions for the following reasons:
- (i) the grant of Related Party Options to the Related Parties, in particular, the vesting conditions of the Related Party Options, will align the interests of the Related Parties with those of Shareholders;
 - (ii) the grant of the Related Party Performance Rights 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 Related Parties; and
 - (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Related Party Performance Rights upon the terms proposed;
- (n) Rebecca Morgan declines to make a recommendation to Shareholders in relation to Resolution 7 due to Ms Morgan's material personal interest in the outcome of the Resolution on the basis that Ms Morgan is to be granted Related Party Performance Rights in the Company should Resolution 7 be passed. However, in respect of Resolutions 6 and 8, Ms Morgan recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (m);
- (o) William Oliver declines to make a recommendation to Shareholders in relation to Resolution 8 due to Mr Oliver's material personal interest in the outcome of the Resolution on the basis that Mr Oliver is to be granted Related Party Performance Rights in the Company should Resolution 8 be passed. However, in respect of Resolutions 6 and 7, Mr Oliver recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (m);

- (p) in forming their recommendations, each Director considered the experience of each other Related Party, the current market price of Shares, the current market practices when determining the number of Related Party Performance Rights to be granted as well as the Vesting Conditions and expiry date of those Related Party Performance Rights; and
- (q) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 6 to 8.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Related Party Performance Rights to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Related Party Performance Rights to the Related Parties will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

6. RESOLUTION 9 – APPOINTMENT OF AUDITOR AT FIRST AGM

The Directors of a public company must appoint an auditor within one month of registration. The directors have appointed RSM Australia Partners as the Company's auditor.

The auditor of a public company so appointed within one month of registration holds office until the first annual general meeting of the Company. The auditor must be re-appointed at the first annual general meeting so that they may continue to act as auditor of the Company.

In accordance with section 328B(1) of the Corporations Act, the Company has sought and obtained a nomination from a shareholder for RSM Australia Partners to be appointed as the Company's auditor. A copy of this nomination is attached to this Explanatory Statement as Annexure 1.

RSM Australia Partners has given its written consent to act as the Company's auditor subject to shareholder approval of this resolution.

If this resolution is passed, the appointment of RSM Australia Partners as the Company's auditor will take effect at the close of this Meeting.

7. RESOLUTION 10 – APPROVAL OF 10% PLACEMENT CAPACITY

7.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity (as defined below) may seek shareholder approval by special resolution passed at an annual general meeting to have the capacity to issue up to that number of Equity Securities (as defined below) equal to 10% of its issued capital (**10% Placement Capacity**) without using that company's existing 15% annual placement capacity granted under ASX Listing Rule 7.1.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and

- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

As at the date of this Notice, the Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$7.62 (based on the number of Shares on issue and the closing price of Shares on the ASX on 26 September 2018).

An Equity Security is a share, a unit in a trust, a right to a share or unit in a trust or option, an option over an issued or unissued security, a convertible security, or, any security that ASX decides to classify as an equity security.

Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing class of quoted Equity Securities.

As at the date of this Notice, the Company currently has two classes of quoted Equity Securities on issue, being the Shares (ASX Code: KRX) and quoted Options (ASX Code: KRXO).

If Shareholders approve this Resolution, the number of Equity Securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

This Resolution is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of this Resolution for it to be passed.

7.2 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution:

(a) Minimum Price

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX 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 ASX trading days of the date in section (a)(i), the date on which the Equity Securities are issued.

(b) Date of Issue

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the

Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid),

(10% Placement Capacity Period).

(c) Risk of voting dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If this Resolution is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as 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 market price of Shares and the number of Equity Securities on issue as at 8 October 2018.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	0.1250 50% decrease in Issue Price	0.25 Issue Price	0.3750 50% increase in Issue Price
44,437,513 (Current Variable A)	Shares issued - 10% voting dilution	4,443,751 Shares	4,443,751 Shares	4,443,751 Shares
	Funds raised	\$555,469	\$1,110,937	\$1,666,406
66,656,270 (50% increase in Variable A)	Shares issued - 10% voting dilution	6,665,626 Shares	6,665,626 Shares	6,665,626 Shares
	Funds raised	\$833,203	\$1,666,406	\$2,499,609
88,875,026 (100% increase in Variable A)	Shares issued - 10% voting dilution	6,350,000 Shares	6,350,000 Shares	6,350,000 Shares
	Funds raised	\$1,110,937	\$2,221,875.5	\$3,332,813

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. There are currently 44,437,513 Equity Securities on issue.

2. There are currently 31,750,001 existing Shares on issue and no Shares are to be issued under any Resolutions of this Notice of Meeting.
3. There are currently 12,687,512 quoted Options on issue which, for the purposes of the above table, it is assumed have been exercised into Shares.
4. The issue price set out above is the closing price of the Shares on the ASX on 9 October 2018 (25 cents).
2. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
3. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
4. The issue of Equity Securities under the 10% Placement Capacity consists of Shares and quoted Options which have been exercised into Shares before the date of issue of the Equity Securities.
5. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
6. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
7. The 10% voting dilution reflects the 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%.
8. 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 Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) **Purpose of Issue under 10% Placement Capacity**

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration in which case the Company intends to use funds raised for continued exploration expenditure on the Company's current (funds would then be used for project, feasibility studies and ongoing project administration), general working capital etc; or
- (ii) as non-cash consideration for the acquisition of new resources assets and investments including/excluding previously announced acquisitions, in such circumstances 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.

(e) **Allocation policy under the 10% Placement Capacity**

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, 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 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).

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

(f) **Previous approval under ASX Listing Rule 7.1A**

The Company has not previously obtained approval of its Shareholders pursuant to Listing Rule 7.1A.

(g) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it must give to ASX:

- (i) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 3.10.5A for release to the market.

7.3 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on this Resolution.

8. RESOLUTION 11 – APPROVAL OF PERFORMANCE RIGHTS PLAN

Resolution 11 seeks Shareholders approval for the adoption of the employee incentive scheme titled Performance Rights Plan (**Plan**) in accordance with ASX Listing Rule 7.2 (Exception 9(b)).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period. ASX Listing Rule 7.2 (Exception 9(b)) sets out an exception to ASX Listing Rule 7.1 which provides that issues under an employee incentive scheme are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the scheme as an exception to ASX Listing Rule 7.1.

If Resolution 11 is passed, the Company will be able to issue Shares under the Plan to eligible participants over a period of 3 years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period.

Shareholders should note that no Shares have previously been issued under the Plan.

The objective of the Plan is to attract, motivate and retain key employees and it is considered by the Company that the adoption of the Plan and the future issue of Shares under the Plan will provide selected employees with the opportunity to participate in the future growth of the Company.

Any future issues of Shares under the Plan to a related party or a person whose relation with the company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time.

A summary of the key terms and conditions of the Plan is set out in Schedule 4. In addition, a copy of the Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Plan can also be sent to Shareholders upon request to the Company Secretary, Mauro Piccini. Shareholders are invited to contact the Company if they have any queries or concerns.

GLOSSARY

\$ means Australian dollars.

10% Placement Capacity has the meaning given in Section 7.1.

Advisor Option means an Option with the terms and conditions set out in Schedule 1.

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

ASIC means the Australian Securities & Investments Commission.

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

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

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) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Koppar Resources Limited (ACN 624 223 132).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

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

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Ordinary Securities has the meaning set out in the ASX Listing Rules.

Proxy Form means the proxy form accompanying the Notice.

Related Party Performance Rights has the meaning given in Section 5.1. The terms and conditions of the Related Party Performance Rights are set out in Schedule 2.

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 2018.

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 Statement.

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

Shareholder means a registered holder of a Share.

Variable A means "A" as set out in the formula in ASX Listing Rule 7.1A(2).

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

SCHEDULE 1 – TERMS AND CONDITIONS OF ADVISOR OPTIONS

The key terms and conditions of the Advisor Options to be issued in accordance with this Notice are set out below:

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (h), the amount payable upon exercise of each Option will be \$0.285 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on the date which is thirty (30) months from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(e) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(f) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (f)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(g) **Shares issued on exercise**

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

(h) **Reconstruction of capital**

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

(i) **Participation in new issues**

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

(j) **Change in exercise price**

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

(k) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 2 – TERMS AND CONDITIONS OF RELATED PARTY PERFORMANCE RIGHTS

The terms and conditions of the Related Party Performance Rights to be issued to Directors pursuant to Resolutions 6, 7 and 8 is set out below:

- (a) **(Vesting Conditions):** The Performance Rights will vest subject to the satisfaction of the following vesting conditions:
- (i) **Class A Performance Rights:** Class A Performance Rights will vest if, at any time within 36 months following the date of grant of the Performance Rights, the VWAP of the Company's Shares as traded on the ASX over five (5) consecutive trading days is equal to or greater than \$0.40 (forty cents);
 - (ii) **Class B Performance Rights:** Class B Performance Rights will vest if, at any time within 36 months following the date of grant of the Performance Rights, the VWAP of the Company's Shares as traded on the ASX over five (5) consecutive trading days is equal to or greater than \$0.75 (seventy-five cents); and
 - (iii) **Class C Performance Rights:** Class C Performance Rights will vest if, at any time within 36 months following the date of grant of the Performance Rights, the VWAP of the Company's Shares as traded on the ASX over five (5) consecutive trading days is equal to or greater than \$1.10 (one dollar and ten cents),

each a **Vesting Condition**.

- (b) **(Notification to holder):** The Company shall notify the holder in writing when the relevant Vesting Condition has been satisfied.
- (c) **(Vesting):** Subject to paragraph (d), Performance Rights that have not lapsed shall vest on:
- (i) the date that is the later of:
 - (A) the Vesting Condition relating to that Performance Right having been satisfied; or
 - (B) the date that the holder gives a notice to the Company confirming that the holder would like the Performance Right to be deemed to have vested; or
 - (ii) death or total or permanent disability; or
 - (iii) a Change of Control occurring,

Change of Control means:

- (i) a bona fide Takeover Bid (as defined in the Corporations Act) is declared unconditional and the bidder has acquired a Relevant Interest in at least 50.1% of the Company's issued Shares;
- (ii) a court approves, under Section 411(4)(b) of the Corporations Act, a proposed compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or

- (iii) in any other case, a person obtains Voting Power (as defined in the Corporations Act) in the Company that the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board.
- (d) **(Conversion):** Subject to paragraph (q), upon vesting, each Performance Right will, at the election of the holder, convert into one Share.
- (e) **(Lapse of a Performance Rights):** Any Performance Right that has not been converted into a Share prior to the date that is 36 months from the date of grant of the Performance Right will automatically lapse.
- (f) **(Fraudulent or dishonest action):** If a holder ceases to be an employee or Director of the Company in circumstances where the cessation or termination is specifically referenced to the holder having been found to have acted fraudulently or dishonestly in the performance of his or her duties, then:
 - (i) the Board must deem any Performance Rights of the holder to have immediately lapsed and be forfeited; and
 - (ii) any Performance Rights that have vested will continue in existence in accordance with their terms of issue and any Shares issued on vesting will remain the property of the holder.
- (g) **(Ceasing to be an employee or Director):** If a holder ceases to be an employee or Director of the Company in circumstances where the cessation or termination arises because the holder:
 - (i) voluntarily resigns his or her position (other than to take up employment with a subsidiary of the Company);
 - (ii) wilfully breaches the terms of the engagement of the holder or any policy of the Company's published policies regulating the behaviour of holder;
 - (iii) is convicted of a criminal offence which, in the reasonable opinion of the Company, might tend to injure the reputation or the business of the Company; or
 - (iv) is found guilty of a breach of the Corporations Act and the Board considers that it brings the holder or the Company into disrepute,then:
 - (i) unless the Board decides otherwise in its absolute discretion, will deem any Performance Rights of the holder to have immediately lapsed and be forfeited; and
 - (ii) any Performance Rights that have vested will continue in existence in accordance with their terms of issue and any Shares issued on vesting will remain the property of the holder.
- (h) **(Other circumstances):** The Performance Rights will not lapse and be forfeited where the holder ceases to be an employee or Director of the Company for one of the following reasons:

- (i) death or total permanent disability (in respect of total permanent disability being that because of a sickness or injury, the holder is unable to work in his or her own or any occupation for which they are suited by training, education, or experience for a period beyond one year);
- (ii) redundancy (being where the holder ceases to be an employee or Director due to the Company no longer requiring the holder's position to be performed by any person); or
- (iii) any other reason, other than a reason listed in rules (f) and (g) (not including (g)(i) (in which case the Board may exercise its absolute discretion to allow the resigned to retain their Performance Right)), that the Board determines is reasonable to permit the holder to retain his Performance Rights,

and in those circumstances the Performance Rights will continue to be subject to the Vesting Condition.

- (i) **(Share ranking)**: All Shares issued upon the vesting of Performance Rights will upon issue rank pari passu in all respects with other Shares.
- (j) **(Application to ASX)** The Performance Rights will not be quoted on ASX. The Company must apply for the official quotation of a Share issued on conversion of a Performance Right on ASX within the time period required by the ASX Listing Rules.
- (k) **(Timing of issue of Shares on Conversion)**: Within 10 Business Days after date that the Performance Rights are converted, the Company will:
 - (i) issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights converted;
 - (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
 - (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the conversion of the Performance Rights.

If a notice delivered under (k)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

- (l) **(Transfer of Performance Rights)**: The Performance Rights are not transferable.
- (m) **(Participation in new issues)** A Performance Right does not entitle a holder (in their capacity as a holder of a Performance Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

- (n) **(Reorganisation of capital)** If at any time the issued capital of the Company is reconstructed, all rights of a holder will be changed in a manner consistent with the applicable ASX Listing Rules and the Corporations Act at the time of reorganisation.
- (o) **(Adjustment for bonus issue)** 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) the number of Shares or other securities which must be issued on the conversion of a Performance Right will be increased by the number of Shares or other securities which the holder would have received if the holder had converted the Performance Right before the record date for the bonus issue.
- (p) **(Dividend and Voting Rights):** The Performance Rights do not confer on the holder an entitlement to vote (except as otherwise required by law) or receive dividends.
- (q) **(Deferral of conversion if resulting in a prohibited acquisition of Shares):** If the conversion of a Performance Right would result in any person being in contravention of section 606(1) of the *Corporations Act 2001* (Cth) (**General Prohibition**) then the conversion of that Performance Right shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Right would result in a contravention of the General Prohibition:
- (i) holders may give written notification to the Company if they consider that the conversion of a Performance Right may result in the contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition;
 - (i) the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph (q)(i) within seven days if the Company considers that the conversion of a Performance Right may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition.
- (r) **(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.
- (s) **(Rights on winding up)** A Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.
- (t) **(No other rights)** A Performance Right gives the holder 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.

SCHEDULE 3 – VALUATION OF RELATED PARTY PERFORMANCE RIGHTS

The Company obtained a valuation of the Performance Rights from RSM Australia Pty Ltd (**RSM**). In determining the value of the Performance Rights, the Hoadley Trading & Investment Tools (**Hoadley**) Barrier 1 trinomial option valuation model has been used.

The following assumptions have been used in assessing the fair value of the Performance Rights:

Assumptions	Ref	Class A	Class B	Class C
Valuation date	1	1-Oct-18	1-Oct-18	1-Oct-18
Spot price	2	\$0.23	\$0.23	\$0.23
Exercise price	3	Nil	Nil	Nil
Expiry date	4	1-Oct-21	1-Oct-21	1-Oct-21
Vesting hurdle (5-day VWAP)	5	\$0.40	\$0.75	\$1.10
Expected future volatility	6	90%	90%	90%
Risk free rate	7	2.10%	2.10%	2.10%
Dividend yield	8	0.00%	0.00%	0.00%

Based on the methodology and assumptions set out above, RSM assessed the indicative fair value of the Performance Rights as follows:

Rights	Class A	Class B	Class C	Total
Value per Right	0.2016	0.1612	0.1336	n/a
Number	1,200,000	1,200,000	1,500,000	3,900,000
Value	241,920	193,440	200,400	635,760

The values above are indicative only based on assumptions relevant at the date of the valuation. Different assumptions may be relevant at the grant date which may alter the value of the Performance Rights for financial reporting purposes.

SCHEDULE 4 – PERFORMANCE RIGHTS PLAN

The key terms of the Performance Rights Plan (**Plan**) are summarised below:

- (a) **Eligibility:** Participants in the Plan may be:
- (i) an executive director of the Company and any Associated Body Corporate of the Company (each a Group Company);
 - (ii) a full or part time employee of any Group Company;
 - (iii) a casual employee or contractor of a Group Company to the extent permitted by ASIC Class Order 14/1000 as amended or replaced (**Class Order**); or
 - (iv) a prospective participant, being a person to whom the offer is made but who can only accept the offer if an arrangement has been entered into that will result in the person becoming a participant under subparagraphs (i), (ii) or (iii) above,
- who is declared by the Board to be eligible to receive grants of Performance Rights under the Plan (**Eligible Participants**).
- (b) **Offer:** The Board may, from time to time, in its absolute discretion, make a written offer to any Eligible Participant (including an Eligible Participant who has previously received an offer) to apply for up to a specified number of Performance Rights, upon the terms set out in the Plan and upon such additional terms and conditions as the Board determines.
- (c) **Plan limit:** The Company must have reasonable grounds to believe, when making an offer, that the number of Shares to be received on exercise of Performance Rights offered under an offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.
- (d) **Vesting Conditions:** A Performance Right issued under the Plan may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the offer for the Performance Right.
- (e) **Vesting:** The Board may in its absolute discretion (except in respect of a Change of Control occurring where Vesting Conditions are deemed to be automatically waived) by written notice to a Participant (being an Eligible Participant to whom the Performance Rights have been granted under the Plan or their nominee where the Performance Rights have been granted to the nominee of the Eligible Participant (the **Relevant Person**)), resolve to waive any of the Vesting Conditions applying to Performance Rights due to:
- (i) Special Circumstances arising in relation to a Relevant Person in respect of those Performance Rights, being the following circumstances:
 - (A) a Relevant Person ceasing to be an Eligible Participant due to:
 - (I) death or Total or Permanent Disability of a Relevant Person; or

- (II) Retirement or Redundancy of a Relevant Person;
 - (B) a Relevant Person suffering Severe Financial Hardship;
 - (C) any other circumstance stated to constitute "Special Circumstances" in the terms of the relevant Offer made to and accepted by the Participant; or
 - (D) any other circumstances determined by the Board at any time (whether before or after the Offer) and notified to the relevant Participant which circumstances may relate to the Participant, a class of Participant, including the Participant or particular circumstances or class of circumstances applying to the Participant; or
- (ii) a Change of Control occurring; or
 - (iii) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.
- (f) **Lapse of a Performance Right:** A Performance Right will lapse upon the earlier to occur of:
- (i) an unauthorised dealing in the Performance Right;
 - (ii) a Vesting Condition in relation to the Performance Right is not satisfied by its due date, or becomes incapable of satisfaction, unless the Board exercises its discretion to waive the Vesting Conditions and vest the Performance Right in the circumstances set out in paragraph (e) or the Board resolves, in its absolute discretion, to allow the unvested Performance Rights to remain unvested after the Relevant Person ceases to be an Eligible Participant;
 - (iii) in respect of unvested Performance Right only, an Eligible Participant ceases to be an Eligible Participant, unless the Board exercises its discretion to vest the Performance Right in the circumstances set out in paragraph (e) or the Board resolves, in its absolute discretion, to allow the unvested Performance Rights to remain unvested after the Relevant Person ceases to be an Eligible Participant;
 - (iv) in respect of vested Performance Rights only, a relevant person ceases to be an Eligible Participant and the Performance Right granted in respect of that person is not exercised within one (1) month (or such later date as the Board determines) of the date that person ceases to be an Eligible Participant;
 - (v) the Board deems that a Performance Right lapses due to fraud, dishonesty or other improper behaviour of the Eligible Participant;
 - (vi) the Company undergoes a Change of Control or a winding up resolution or order is made and the Board does not exercise its discretion to vest the Performance Right;
 - (vii) the expiry date of the Performance Right.
- (g) **Shares:** Shares resulting from the exercise of the Performance Rights shall, subject to any Sale Restrictions (refer paragraph (h)) from the date of issue, rank on equal terms with all other Shares on issue.

- (h) **Sale Restrictions:** The Board may, in its discretion, determine at any time up until exercise of Performance Rights, that a restriction period will apply to some or all of the Shares issued to an Eligible Participant (or their eligible nominee) on exercise of those Performance Rights up to a maximum of seven (7) years from the grant date of the Performance Rights. In addition, the Board may, in its sole discretion, having regard to the circumstances at the time, waive any such restriction period determined.
- (i) **No Participation Rights:** There are no participating rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights.
- (j) **Change in exercise price of number of underlying securities:** Unless specified and subject to compliance with the ASX Listing Rules, a Performance Right does not confer the right to a change in the number of underlying Shares over which the Performance Right can be exercised.
- (k) **Reorganisation:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder of a Performance Right are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.

ANNEXURE 1 – NOMINATION OF AUDITOR LETTER

28 September 2018

The Board of Directors
Koppar Resources Limited
Level 1, 1 Altona Street
West Perth WA 6005

Xcel Capital Pty Ltd (ACN 617 047 319), being a member of Koppar Resources Limited (**Company**), nominate RSM Australia Partners in accordance with section 328B(1) of the *Corporations Act 2001* (Cth) (**Act**) to fill the office of auditor of the Company.

Please distribute copies of this notice of this nomination as required by section 328B(3) of the Act.

EXECUTED by Xcel Capital Pty Ltd (ACN)
617 047 319) in accordance with Section)
127 of the Corporations Act:)



Signature of Director

Signature of Director

Edwin Bulseco

Name of Director

Stephen Tomsic

Name of Director

If you are attending the meeting
in person, please bring this with you
for Securityholder registration.

Holder Number:

Vote by Proxy: KRX

Your proxy voting instruction must be received by **9.00am (WST) on Wednesday, 28 November 2018**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



SUBMIT YOUR PROXY VOTE BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

VOTING UNDER STEP 1 - APPOINTING A PROXY

If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chairman of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIRMAN OF THE MEETING

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

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided

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 Voting 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.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting 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.

POWER OF ATTORNEY

If a representative as power of attorney of a Shareholder of the Company is to attend the Meeting, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms.

