



**GME RESOURCES LIMITED**

**(ABN 62 009 260 315)**

**NOTICE OF ANNUAL GENERAL MEETING  
AND EXPLANATORY STATEMENT**

**FOR THE MEETING OF SHAREHOLDERS  
OF THE COMPANY TO BE HELD AT**

**GME RESOURCES LIMITED  
UNIT 5 / 78 MARINE TERRACE  
FREMANTLE, WESTERN AUSTRALIA**

**ON WEDNESDAY 15 NOVEMBER 2017 AT 10AM (WST)**

**Registered Office:**

**Unit 5 / 78 Marine Terrace**

**Fremantle WA 6160**

*This page has been left blank intentionally.*

# GME RESOURCES LIMITED

(ABN 62 009 260 315)

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of shareholders of GME Resources Limited will be held on Wednesday 15 November 2017, at 10:00 am (WST) at GME Resources Limited, Unit 5 / 78 Marine Terrace, Fremantle, Western Australia to consider and if thought fit to pass the following Resolutions with or without amendment:

### AGENDA

#### ADOPTION OF ANNUAL REPORT

That the Annual Report, including Financial Statements, Directors' declaration and accompanying Reports of the Directors and Auditors for the Financial Year ending 30 June 2017 be approved and adopted.

**To consider and if thought fit to pass the following resolutions as ordinary resolutions:**

#### 1 REMUNERATION REPORT

"That the Remuneration Report as set out in the Company's Annual Report for the year ended 30 June 2017, be adopted."

#### 2 RE-ELECTION OF DIRECTOR – MR PETER SULLIVAN

"That Peter Sullivan, who retires by rotation under Clause 21.3(2) of the Company's Constitution and being eligible, offers himself for re-election, is hereby re-elected as a Director of the Company."

#### 3 ELECTION OF DIRECTOR – MR PETER HUSTON

##### Election of Director – Mr Peter Huston

"That Mr Peter Huston, having been appointed as a Director of the Company on 20 March 2017, who ceases to hold office in accordance with Clause 21.3(1) of the company's constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."

#### 4. APPROVAL OF THE ISSUE OF EQUITY SECURITIES UP TO 10% OF THE ISSUED CAPITAL

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

"That, for the purpose of Listing Rule 7.1A and all other purposes, the Company approves the allotment and issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement."

**GME RESOURCES LIMITED**

**(ABN 62 009 260 315)**

**NOTICE OF ANNUAL GENERAL MEETING**

**GENERAL NOTES:**

1. Remuneration Report Voting

Resolution 1 seeks approval of the Company's Remuneration Report, the vote on this item is advisory only and does not bind the Directors of the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

**The Chairman of the meeting intends to vote undirected proxies, that are able to be voted, in favour of the adoption of the remuneration report.**

2. Voting Prohibition Statement

- A vote on Resolution 1 must not be cast (in any capacity) by or on behalf of any Key Management Personnel (KMP) which includes the Directors of the Company, details of whose remuneration are included in the Remuneration Report, or any closely related party of that person (or those persons).

However, a person described above may vote on Resolution 1 if the person does so as a proxy appointed by writing, that specifies how the proxy is to vote on the Resolution, or where no voting directions have been given and the proxy votes consistent with the stated intention to vote valid undirected proxies, and the vote is not cast on behalf of a member of the Key Management Personnel or any closely related party of that person (or persons).

- The Company will disregard any votes cast on Resolution 4 - by any person who may participate in the proposed issue and a person who might obtain a benefit except a benefit solely in the capacity of a holder of ordinary securities if the resolution is passed, and any associates of those persons.

However, votes cast by a person as proxy for a person who is entitled to vote (in accordance with the directions on the proxy form) or 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) will be taken into account.

3. Explanatory statement

An Explanatory Statement explaining and commenting on the Resolutions the subject of this Notice of Meeting is enclosed with this Notice of Meeting. That Explanatory Statement is deemed to form part of this Notice of Meeting.

4. Proxy

A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies, to attend and to vote instead of the shareholder. The proxy need not be a member of GME Resources.

Proxy Forms must be lodged to the attention of the Company Secretary at **Suite 8, 7 The Esplanade Mt Pleasant WA 6153 no later than 48 hours** before the time of the meeting. A Proxy Form accompanies this Notice of Meeting.

**Voting Entitlement**

The Directors have determined in accordance with Regulation 7.11.37 of the Corporations Regulations that, for the purposes of attending and voting at the meeting, shares will be taken to be held by the registered holders at 5pm WST on Monday 13 November 2017.

Unless specified otherwise, all Resolutions once passed take effect from the close of the Meeting.

**Dated this 11th day of October 2017**

**BY ORDER OF THE BOARD OF DIRECTORS**

**MARK PITTS**

Company Secretary

**GME RESOURCES LIMITED**  
**(ABN 62 009 260 315)**  
**NOTICE OF ANNUAL GENERAL MEETING**  
**EXPLANATORY STATEMENT**

**1. RESOLUTION 1 – REMUNERATION REPORT**

“That the Remuneration Report as set out in the Company’s Annual Report for the year ended 30 June 2017, be adopted.”

Following changes to the Corporations Act 2001, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGM’s, shareholders will be required to vote at the second of those AGM’s on a resolution (‘spill resolution’) that another meeting be held within 90 days at which all of the Company’s directors (excluding the Managing Director) must offer themselves for re-election.

The Remuneration Report is for consideration and adoption by way of non-binding resolution. The vote on this resolution is advisory only and does not bind the Directors of the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

The Board considers that its current practices of setting executive and non-executive remuneration are well within normal industry expectations, and provide an effective balance between the need to attract and retain the services of the highly skilled key management personnel that the Company requires. As such the directors recommend that shareholders vote in favour of the Company’s remuneration report at Resolution 1.

If you choose to appoint a proxy you are encouraged to direct your proxy how to vote on Resolution 1 by marking **either For, Against or Abstain on the voting form**.

If you appoint the Chairman as your proxy, and you do not direct your proxy how to vote on Resolution 1 on the proxy form **you acknowledge that the Chairman will exercise your proxy, in line with his stated intention, even if he has an interest in the outcome of the resolution**.

**The Chairman of the meeting intends to vote undirected proxies that are able to be voted in favour of the adoption of the remuneration report.**

The Remuneration Report is set out in the GME Resources Limited Annual Report 2017 and is also available on the Company’s web site ([www.gmeresources.com.au](http://www.gmeresources.com.au)).

**2. RESOLUTION 2 – RE-ELECTION OF PETER ROSS SULLIVAN**

“That Peter Sullivan, who retires by rotation under Clause 21.3(2) of the Company’s Constitution and being eligible, offers himself for re-election, is hereby re-elected as a Director of the Company.”

Clause 21.3(2) of the Constitution of the Company provides that one-third of the Directors must retire at the Annual General Meeting and those Directors are then eligible for re-election. Accordingly, Peter Sullivan, having retired as a director, offers himself for re-election as a director in accordance with the Constitution of the Company.

The Board (excluding Mr Sullivan) recommend the approval of Resolution 2 to all Shareholders.

**3. RESOLUTION 3 – RE-ELECTION OF PETER ERNEST HUSTON**

“That Mr Peter Huston, having been appointed as a Director of the Company on 20 March 2017, who ceases to hold office in accordance with Clause 21.3(1) of the company’s constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company.”

Mr Peter Huston was appointed as a non-executive Director in March 2017. After gaining admission in Western Australia as a Barrister and Solicitor, Mr Huston initially practised in the area of corporate and revenue law. Subsequently, he moved into the area of public listings, reconstructions, equity raisings, mergers and acquisitions and advised on a number of major public company floats, takeovers and reconstructions. Mr Huston is admitted to appear before the Supreme Court, Federal Court and High Court of Australia. Mr Huston was a partner of the international law firm now known as "Deacons" until 1993 when he retired to establish the boutique investment bank and corporate advisory firm known as "Troika Securities Limited".

The Board (excluding Mr Huston) recommend the approval of Resolution 3 to all Shareholders.

#### 4. APPROVAL OF THE ISSUE OF EQUITY SECURITIES UP TO 10% OF THE ISSUED CAPITAL

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital over a 12-month period after the Annual General Meeting at which a resolution for the purposes of Listing Rule 7.1A is passed by special resolution (**Additional 10% Placement Capacity**). The Additional 10% Placement Capacity is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An entity will be eligible to seek approval under Listing Rule 7.1A if: (a) the entity has a market capitalisation of \$300 million or less; and (b) the entity that is not included in the S&P ASX 300 Index. The Company is an eligible entity for the purposes of Listing Rule 7.1A.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation at the date of this Notice of \$46,359,637, being 463,596,374 ordinary shares at \$0.10.

The number of Equity Securities to be issued under the Additional 10% Placement Capacity will be determined in accordance with the formula set out in Listing Rule 7.1A.2:

(AxD)-E

A = The number of fully paid ordinary securities on issue 12 months before the issue date or date of agreement to issue,

- plus the number of fully paid ordinary securities issued in the 12 months under an exception in Rule 7.2,
- plus the number of partly paid ordinary securities that became fully paid in the 12 months,
- plus the number of fully paid ordinary securities issued in the 12 months with approval of shareholders of ordinary securities under rule 7.1 or rule 7.4,
- less the number of fully paid ordinary securities cancelled in the 12 months

D = 10%

E = The number of equity securities issued or agreed to be issued under rule 7.1A2 in the 12 months before the issue date or date of agreement to issue that are not issued with the approval of shareholders of ordinary securities under 7.1 or 7.4

The Company is putting Resolution 4 to Shareholders to seek approval to issue additional Equity Securities under the Additional 10% Placement Capacity.

This Resolution does not mean that the Company will necessarily utilise the 10% Additional Placement Capacity. Rather, capital markets have recently been in a state of fluctuation and the Directors acknowledge that they may need to act quickly to raise funds when favourable markets emerge. The Company's failure to raise capital, if and when needed, could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities. Under these circumstances, the Additional 10% Placement Capacity will provide flexibility for the Company to issue additional securities, in the event that the Directors determine that the issue of the additional securities is in the interests of the Shareholders and the Company in achieving its objectives.

#### **Listing Rule 7.1A**

The effect of Resolution 4 will be to permit the Company to issue the Equity Securities under Listing Rule 7.1A during the Additional Placement Period (as defined below) without using the Company's 15% placement capacity under Listing Rule 7.1.

Equity Securities issued under the Additional 10% Placement Capacity must be in the same class as an existing quoted class of Equity Securities of the Company. As at the date of this Notice the Company has only Shares on issue as quoted securities.

At the date of this Notice the Company has 463,596,374 Shares on issue and therefore, subject to Shareholder approval being sought under Resolution 4. Shareholders should note that the calculation of the number of Equity Securities permitted to be issued under the Additional 10% Placement Capacity is a moving calculation and will be based the formula set out in Listing Rule 7.1A.2 at the time of issue of the Equity Securities. The table on the page below demonstrates various examples as to the number of Equity Securities that may be issued under the Additional 10% Placement Capacity.

Resolution 4 is a special resolution, requiring approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative) in order to be passed.

### Specific information required by Listing Rule 7.3A

The following information in relation to the Equity Securities to be issued is provided to Shareholders for the purposes of Listing Rule 7.3A:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the volume weighted average price for the Company's Equity Securities over the 15 Trading Days immediately before:
- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
  - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 4 is approved by Shareholders and the Company issues Equity Securities under the Additional 10% Placement Capacity, the existing Shareholders' economic and voting interests in the Company will be diluted. There is also a risk that:
- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
  - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date of the Equity Securities.

The table below shows the dilution of existing Shareholders of the issue of the maximum number of Equity Securities under the Additional 10% Placement Capacity using different variables for the number of ordinary securities for variable "A" (as defined in Listing Rule 7.1A) and the market price of Shares. It is noted that variable "A" is based on the number of ordinary securities the Company has on issue at the time of the proposed issue of Equity Securities.

The table shows:

- (i) examples of where variable "A" is at its current level, and where variable "A" has increased by 50% and by 100%;
- (ii) examples of where the issue price of ordinary securities is the current market price as at close of trade on 10 October 2017 (current market price), where the issue price is halved, and where it is doubled; and
- (iii) the dilutionary effect will always be 10% if the maximum number of Equity Securities that may be issued under the Additional 10% Placement Capacity are issued.

Variable 'A'	Number of Shares issued and funds raised under the Additional 10% Placement Capacity and dilution effect	Dilution		
		\$0.05 Issue Price at half the current market price	\$0.10 Issue Price at current market price	\$0.20 Issue Price at double the current market price
Current Variable A 463,596,374 Shares	Shares issued	46,359,637	46,359,637	46,359,637
	Funds raised	\$2,317,982	\$4,635,964	\$9,271,927
	Dilution	10%	10%	10%
50% increase in current Variable A 695,394,561 Shares	Shares issued	69,539,456	69,539,456	69,539,456
	Funds raised	\$3,476,973	\$6,953,946	\$13,907,891
	Dilution	10%	10%	10%
100% increase in current variable A 927,192,748 Shares	Shares issued	92,719,275	92,719,275	92,719,275
	Funds raised	\$4,635,964	\$9,271,927	\$18,543,855
	Dilution	10%	10%	10%

**Note: this table assumes:**

- (i) No Options are exercised before the date of the issue of the Equity Securities;
  - (ii) The Company issues the maximum number of Equity Securities under the Additional 10% Placement Capacity and the Equity Securities issues consists only of Shares;
  - (iii) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholders holding at the date of the Annual General Meeting;
  - (iv) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (c) Approval of the Additional 10% Placement Capacity will be valid from the date of the Annual General Meeting and will expire on the earlier of:
- (i) the date that is 12 months after the date of the Annual General Meeting; and
  - (ii) the date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- (i) As cash consideration. If Equity Securities are issued for cash consideration, the Company intends to use the funds to advance the company's exploration projects, fund other potential acquisition or exploration opportunities that may arise and provide working capital; or
  - (ii) As non-cash consideration for the acquisition of new assets. If Equity Securities are issued for non-cash consideration, the Company will comply with the minimum issue price limitation under Listing Rule 7.1A.3 in relation to such issue and will release the valuation of the non-cash consideration to the market.

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) The Company's allocation policy for the issue of Equity Securities under the Additional 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s). Securities allotted pursuant to the allocation policy will be determined following consideration of a number of factors including, but not limited to, the following matters:
- (i) the ability of the Company to raise funds at the time of the proposed issue of Equity Securities;
  - (ii) the dilutionary effect of the proposed of the issue of the Equity Securities on existing Shareholders at the time of proposed issued of Equity Securities;
  - (iii) the financial situation and solvency of the Company; and
  - (iv) advice from its professional advisers, including corporate, financial and broking advisers (if applicable).

At the date of this Notice, the Company has not formed an intention as to whether the securities will be offered to existing security holders, or to any class or group of existing security holders, or whether the securities will be offered exclusively to new investors that have not previously been security holders of the Company. The Company will give consideration before making any placement of securities under Listing Rule 7.1A whether the raising of any funds under such placement could be carried out in whole, or in part, by an Entitlements Offer to existing security holders.

The allottees under the Additional 10% Placement Capacity have not been determined as at the date of this Notice but will not include related parties (or their associates) of the Company.

- (f) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not determined its allocation policy for the issue of Equity Securities under the Additional 10% Placement Capacity. The Company has not approached, and has not yet determined to approach, any particular existing security holders or an identifiable class of existing security holders to participate in an offer under the Additional 10% Placement Capacity, and therefore no Shareholder will be excluded from voting on Resolution 4.

**Directors Recommendation**

The Board recommends Shareholders vote in favour of Resolution 4.