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**CONSOLIDATED ZINC LIMITED**  
**ACN 118 554 359**

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**NOTICE OF ANNUAL GENERAL MEETING**

**The Annual General Meeting of the Company will be held at Level 14,  
Boardroom 330 Collins St, Melbourne on 20 November 2018 at 3.00pm (AEDT).**

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*This Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.*

***Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on (08) 9322 3406.***

# CONSOLIDATED ZINC LIMITED

## ACN 118 554 359

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### NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that an annual general meeting of Shareholders of Consolidated Zinc Limited (**Company**) will be held at Level 14 Boardroom, 330 Collins St, Melbourne on 20 November 2018 at 3.00pm (AEDT) (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

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 as Shareholders on 18 November 2018 at 3.00pm (AEDT).

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Section 16.

### AGENDA

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#### Annual Report

To table and consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2018, which includes the Financial Report, the Directors' Report and the Auditor's Report.

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#### 1. 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, the Remuneration Report be adopted by the Shareholders on the terms and conditions in the Explanatory Memorandum.”*

##### Voting Exclusion

In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by, or on behalf of:

- (a) a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report; or
- (b) a Closely Related Party of such member.

However, a person described above may cast a vote on this Resolution if the vote is not cast on behalf of a person described in subparagraphs (a) or (b) above and either:

- (a) the person does so as a proxy appointed in writing that specifies how the proxy is to vote on this Resolution; or

- (b) the person 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 if this Resolution is connected directly or indirectly with the remuneration of the Key Management Personnel.

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## 2. Resolution 2 – Approval of 10% Placement Facility

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

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

### Voting Exclusion

The Company will disregard any votes cast in favour of this 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 entity), and any associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chair 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.

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## 3. Resolution 3 – Re-election of Director – Mr Andrew Richards

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

*"That, Mr Andrew Richards, who retires in accordance with Clause 13.2 of the Constitution, being eligible and offering himself for re-election, be re-elected as a Director."*

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## 4. Resolution 4 – Re-election of Director – Mrs Angela Pankhurst

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

*"That, Mrs Angela Pankhurst, who was appointed as a Director on 1 August 2018 and retires in accordance with Clause 13.4 of the Constitution, being eligible and offering herself for re-election, be re-elected as a Director."*

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## 5. Resolution 5 – Ratification of Placement under Listing Rule 7.1 Capacity

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

*"That, for the purposes of Listing Rule 7.4, and for all other purposes, Shareholders approve and ratify the prior issue by the Company of 16,666,667 Shares (**Placement Shares**), each at an issue price of \$0.012 and 5,555,555 Placement Options to the Placement Participants on the terms and conditions set out in the Explanatory Memorandum."*

### Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of the Placement Participants and any of their associates.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chair 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.

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## 6. Resolution 6 – Adoption of New Constitution

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

*"That, with effect from the passing of this Resolution and in accordance with section 136 of the Corporations Act, the regulations contained in the printed document produced to this Meeting and signed by the Chairman for identification purposes (**Proposed Constitution**) are hereby approved and adopted as the constitution of the Company in substitution for, and to the exclusion of, the existing Constitution of the Company."*

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## 7. Resolution 7 – Approval of grant of Incentive Securities to Mr Brad Marwood

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

*"That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve and authorise the Company to grant:*

- (a) *3,000,000 Director Options (comprising 1,000,000 Class A Plan Options, 1,000,000 Class B Plan Options and 1,000,000 Class C Incentive Options); and*
- (b) *3,000,000 Incentive Performance Rights (comprising 1,000,000 Class A Incentive Performance Rights, 1,000,000 Class B Incentive Performance Rights and 1,000,000 Class C Incentive Performance Rights) (and 3,000,000 Shares on exercise of the Incentive Performance Rights),*

to Mr Brad Marwood (and/or his nominees) on the terms and conditions set out in the Explanatory Memorandum.”

#### **Voting Exclusion**

The Company will disregard any votes cast in favour of this 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 entity), and any associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chair 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.

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## **8. Resolution 8 – Approval of convertibility of part of the Copulos Group Convertible Loan**

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

*“That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve and authorise up to \$677,500 of the Copulos Group Convertible Loan held by the Copulos Group Companies to be convertible into up to 56,458,333 Shares (**Copulos Group Conversion Shares**) on the terms and conditions set out in the Explanatory Memorandum.”*

#### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of the Copulos Group Companies and their nominees, and any associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chair 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.

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## **9. Resolution 9 – Approval of convertibility of April Convertible Loans**

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

*“That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve and authorise the April Convertible Loans held by the April Convertible Loan Parties to be convertible into up to 65,000,000 Shares (**April Conversion Shares**) on the terms and conditions set out in the Explanatory Memorandum.”*

### **Voting Exclusion**

The Company will disregard any votes cast in favour of this 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 entity), and any associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chair 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.

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## **10. Resolution 10 – Approval of convertibility of Richards Convertible Loans**

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

*“That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve and authorise the Convertible Loan held by related parties of Mr Andrew Richards to be convertible into up to 5,000,000 Shares (**Richards Conversion Shares**) on the terms and conditions set out in the Explanatory Memorandum.”*

### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Richards and his related parties and their nominees, and any associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chair 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.

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## **11. Resolution 11 – Approval of convertibility of August Convertible Loans**

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

*“That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve and authorise the August Convertible Loans held by the August Convertible Loan Parties to be convertible into up to 25,000,000 Shares (**August Conversion Shares**) on the terms and conditions set out in the Explanatory Memorandum.”*

### **Voting Exclusion**

The Company will disregard any votes cast in favour of this 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 entity), and any associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chair 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.

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## 12. Resolution 12 - Approval to grant Plan Performance Rights to Mr Stephen Copulos

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

*"That, for the purposes of Listing Rule 10.14, and for all other purposes, approval is given for the Company to grant 2,750,000 Plan Performance Rights (comprising 500,000 Class D Plan Performance Rights, 500,000 Class E Plan Performance Rights, 500,000 Class F Plan Performance Rights, 250,000 Class G Plan Performance Rights, 500,000 Class H Plan Performance Rights and 500,000 Class I Plan Performance Rights) (and 2,750,000 Shares on exercise of the Plan Performance Rights), to Mr Stephen Copulos (and/or his nominees) under the Performance Rights Plan on the terms and conditions set out in the Explanatory Memorandum."*

### Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any Director who is eligible to participate in the Performance Rights Plan and any of their associates.

However, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chair 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.

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## 13. Resolution 13 - Approval to grant Plan Performance Rights to Mr Andrew Richards

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

*"That, for the purposes of Listing Rule 10.14, and for all other purposes, approval is given for the Company to grant 2,750,000 Plan Performance Rights (comprising 500,000 Class D Plan Performance Rights, 500,000 Class E Plan Performance Rights, 500,000 Class F Plan Performance Rights, 250,000 Class G Plan Performance Rights, 500,000 Class H Plan Performance Rights and 500,000 Class I Plan Performance Rights) (and 2,750,000 Shares on*

*exercise of the Plan Performance Rights), to Mr Andrew Richards (and/or his nominees) under the Performance Rights Plan on the terms and conditions set out in the Explanatory Memorandum."*

**Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any Director who is eligible to participate in the Performance Rights Plan and any of their associates.

However, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chair 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.

Dated 19 October 2018

**BY ORDER OF THE BOARD**



**Andrew Beigel**  
**Company Secretary**



## **EXPLANATORY MEMORANDUM**

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### **1. Introduction**

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Level 14 Boardroom, 330 Collins St, Melbourne on 20 November 2018 at 3.00pm (AEDT).

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions set out in the Notice.

Proxy Forms have been sent out with this Notice.

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### **2. Action to be taken by Shareholders**

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

#### **2.1 Proxies**

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgment of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

#### **2.2 Voting Prohibition by Proxy Holders**

In accordance with sections 250BD and 250R of the Corporations Act, a person appointed as a proxy must not vote on the basis of that appointment on Resolutions 1, 7, 12 and 13 if:

- (a) the person is either:

- (i) a member of the Key Management Personnel of the Company; 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 Resolutions 1, 7, 12 and 13.

However, the prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even if Resolutions 1, 7, 12 and 13 are connected directly or indirectly with remuneration of a member of the Key Management Personnel of the Company.

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### **3. Annual Report**

Shareholders will be offered the opportunity to discuss the Annual Report at the Meeting. Copies of the report can be found on the Company's website [www.consolidatedzinc.com.au](http://www.consolidatedzinc.com.au) or by contacting the Company on (08) 9322 3406.

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

Shareholders will be offered the following opportunities:

- (a) discuss the Annual Report for the financial year ended 30 June 2018;
- (b) ask questions or make comment on the management of the Company;
- (c) ask questions about, or make comment on, the Remuneration Report;
- (d) ask the auditor questions about:
  - (i) the conduct of the audit;
  - (ii) the preparation and content of the Auditor's Report;
  - (iii) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
  - (iv) the independence of the auditor in relation to the conduct of the audit.

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

- (a) the content of the Auditor's Report; or
- (b) the conduct of the audit of the Financial Report,

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

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## 4. Resolution 1 – Adoption of Remuneration Report

Section 250R(2) of the Corporations Act provides that the Company is required to put the Remuneration Report to the vote of Shareholders. The Directors' Report contains a Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the executive and non-executive directors.

Section 250R(3) of the Corporations Act provides that Resolution 1 is advisory only and does not bind the Directors of the Company. Of itself, a failure of Shareholders to pass Resolution 1 will not require the Directors to alter any of the arrangements in the Remuneration Report.

However, under sections 250U and 250Y of the Corporations Act, Shareholders have the opportunity to remove the Board if the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings (**Two Strikes Rules**).

Under the Two Strikes Rule, where a resolution on the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting, a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the Managing Director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

At the Company's 2017 Annual General Meeting the remuneration report was approved by over 75% of Shareholders present and voting.

In summary, if the Remuneration Report receives a 'no' vote of 25% or more at this Meeting, Shareholders should be aware that if there is a 'no' vote of 25% or more at the next annual general meeting the consequences are that all Directors (other than the Managing Director) may be up for re-election.

The Chair will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

The Chair intends to exercise all undirected proxies in favour of Resolution 1. If the Chair of the Meeting is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention.

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## 5. Resolution 2 – Approval of 10% Placement Facility

### 5.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. 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 approximately \$23,123,455 based on a share price of \$0.025 (being the closing price of Shares on 15 October 2018).

The Company is seeking shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 5.2(c) below).

The Company intends to continue to expand and accelerate the Company's existing business activities (including expenses associated with further tests in relation to the Company's existing projects) and to pursue other acquisitions that have a strategic fit or will otherwise add value to Shareholders (including expenses associated with such acquisitions). The Company may use the 10% Placement Facility for these purposes and for general working capital.

The Directors of the Company believe that Resolution 2 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

## **5.2 Description of Listing Rule 7.1A**

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

(b) Equity Securities

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

The Company, as at the date of the Notice, has on issue one class of quoted Equity Securities, being Shares (ASX code: CZL).

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

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

Where:

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

(A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;

(B) plus the number of partly paid shares that became fully paid in the 12 months;

(C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This

does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;

(D) less the number of fully paid shares cancelled in the 12 months.

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

D is 10%

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

(d) Listing Rule 7.1 and Listing Rule 7.1A

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

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 5.2(c) above).

(e) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within five Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (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),

**(10% Placement Period).**

### 5.3 Listing Rule 7.1A

The effect of Resolution 2 will be to allow the Directors to issue Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 2 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

### 5.4 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days on which trades in that class were recorded immediately before:
  - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
  - (ii) if the Equity Securities are not issued within five Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 2 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. There is 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 or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and

- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price of \$0.015.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.0125 50% decrease in Issue Price	\$0.025 Issue Price	\$0.05 100% increase in Issue Price
Current Variable A 924,938,186 Shares	10% voting dilution	92,493,818	92,493,818	92,493,818
	Funds raised	\$1,156,173	\$2,312,345	\$4,624,691
50% increase in current Variable A* 1,387,407,279 Shares	10% voting dilution	138,740,727	138,740,727	138,740,727
	Funds raised	\$1,734,259	\$3,468,518	\$6,937,036
100% increase in current Variable A* 1,849,876,372 Shares	10% voting dilution	184,987,636	184,987,636	184,987,636
	Funds raised	\$2,312,345	\$4,624,691	\$9,249,382

\*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 has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No Options are exercised into Shares before the date of the issue of the Equity Securities.
- (iii) 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%.
- (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
- (v) 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.

- (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes listed Options, it is assumed that those listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
  - (vii) Shareholders approve the ratification of the prior issue of Shares under Resolution 5 and therefore Variable 'A' in Listing Rule 7.1A.2 is 924,938,186 being the current Shares on issue.
  - (viii) The issue price is \$0.025, being the closing price of the Shares on ASX on 15 October 2018.
- (c) The Company will only issue the Equity Securities during the 10% Placement Period. The approval under Resolution 2 for the issue of Equity Securities pursuant to the 10% Placement Facility will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking)).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- (i) as cash consideration to fund exploration programs associated with its current projects including the Plomosas Project in Chihuahua, Mexico;
  - (ii) as cash consideration to undertake due diligence as required and to potentially fund the acquisition of new assets that may be considered complimentary in nature to those assets currently held by the Company and for additional working capital purposes; or
  - (iii) as non-cash consideration for the acquisition of assets that are complimentary in nature to those assets currently held by the Company (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) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the recipients of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
- (i) the purpose of the issue;
  - (ii) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can 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 situation and solvency of the Company;
  - (v) prevailing market conditions; and



(vi) advice from corporate, financial and broking advisers (if applicable).

The recipients under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

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

- (f) The Company previously obtained Shareholder approval under Listing Rule 7.1A at the Company's 2017 AGM.
- (g) In the 12 months preceding the date of the Meeting the Company issued a total of 297,760,643 Equity Securities which represents 91.9% of the total number of Equity Securities on issue at 20 November 2017. The Equity Securities issued in the preceding 12 months are set out in Schedule 1.
- (h) The Company's cash balance on 20 November 2017 was approximately \$71,841. Cash raised from issues in the previous 12 months totals \$2,062,221 (before costs) and the Company raised \$2,850,000 from the issue of Convertible Notes. The Company's cash balance at the date of this Notice is approximately \$493,169. Approximately \$4,490,893 has been used in relation to drilling and development of the Plomosas Zinc project as well as on exploration and for general working capital purposes. The Company's remaining funds are intended to be applied to further development of the Plomosas Zinc project and for general working capital.
- (i) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

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## **6. Resolution 3 – Re-election of Director - Mr Andrew Richards**

Resolution 3 seeks approval for the re-election of Mr Andrew Richards.

Clause 13.2 of the Company's Constitution provides that, at every Annual General Meeting, one third of the Directors for the time being, or if their number is not a multiple of three, then the number nearest one-third (rounded upwards in case of doubt) must retire from office and are eligible for re-election. Accordingly, Mr Richards retires and being eligible for re-election, offers himself for re-election at the Meeting.

Mr Richards is a geologist with over 30 years' experience in the international mining industry which included company management and project finance. Since 2004 Mr Richards has worked extensively with gold, base metals, rare earths and industrial minerals in Australasia, Asia, Africa and South America. He has provided consultancy and advisory services, Independent Expert Reports and managed several listed and unlisted companies. He is and has been on the boards of several listed companies and was Managing Director and CEO of two ASX listed companies operating in China.

The Board (other than Mr Richards) unanimously supports the re-election of Mr Richards.

Resolution 3 is an ordinary resolution.

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## 7. Resolution 4 – Re-election of Director – Mrs Angela Pankhurst

Clause 13.4 of the Constitution allows the Directors to appoint 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 (being nine Directors).

Pursuant to clause 13.4 of the Constitution, any Director so appointed holds office only until the next following general meeting and is then eligible for re-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.

Mrs Angela Pankhurst, having been appointed as a Non-Executive Director on 1 August 2018 will retire from the Company's Board in accordance with clause 13.4 of the Constitution and being eligible, seeks re-election by Shareholders.

Angela Pankhurst (MAICD) has over 15 years' experience as an executive and non-executive director primarily in the mining industry. She has held senior executive and company secretarial roles for companies with projects in Kazakhstan, Nigeria, Vietnam and Australia. She was Managing Director of Central Asia Resources Limited during the development of its first gold mine and processing facility. Ms Pankhurst is a non-executive director of PanTerra Gold Limited, director/company secretary of Imritec Limited and Managing Director of MerGen Biopharma Limited.

The Board (other than Mrs Pankhurst) unanimously supports the re-election of Mrs Angela Pankhurst.

Resolution 4 is an ordinary resolution.

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## 8. Resolution 5 – Ratification of Placement under Listing Rule 7.1 Capacity

### 8.1 General

On 11 September 2018 the Company issued 16,666,667 Shares each at an issue price of \$0.012 and 5,555,555 free attaching Placement Options to the Placement Participants to raise \$200,000 (before costs) (**Placement**).

The funds raised from the Placement have been, or will be, used to fund evaluation and development of the Plomosas Zinc Project and for working capital.

Listing Rule 7.1 provides that a company must not (subject to specified exceptions), without the approval of shareholders, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The Placement Shares and Placement Options (together the **Placement Securities**) were issued within the Company's 15% annual limit permitted under Listing Rule 7.1 without the need for Shareholder approval.

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

Resolution 5 seeks Shareholder approval for the ratification of the issue of the Shares and Placement Options pursuant to Listing Rule 7.4. The effect of Shareholders passing Resolution 5 will be to restore the Company's ability to issue securities within the 15% placement capacity under Listing Rule 7.1 during the next 12 months without obtaining prior Shareholder approval.

Resolution 5 is an ordinary resolution.

## **8.2 Specific Information Required by Listing Rule 7.5**

For the purposes of Listing Rule 7.5 information regarding the issue of the Placement Securities is provided as follows:

- (a) 16,666,667 Shares and 5,555,555 Placement Options were issued pursuant to the Placement.
- (b) The Placement Shares were issued at \$0.012 each and the Placement Options were granted as free attaching Options on the basis of one Placement Option for every three Shares subscribed for.
- (c) The Placement Shares are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (d) The Placement Options are each exercisable at \$0.025 on or before 31 December 2020 and otherwise have the terms and conditions in Schedule 2.
- (e) The Placement Shares were issued to the Placement Participants, none of whom are a related party of the Company.
- (f) The funds raised from the issue of the Placement Securities have been, or will be, used to fund evaluation and development of the Plomosas Zinc Project and for working capital.
- (g) A voting exclusion statement is included in the Notice.

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## **9. Resolution 6 – Adoption of New Constitution**

The Company's current Constitution was adopted in June 2006. It is proposed that the current Constitution be replaced by a new Constitution that reflects compliance with current law and enables the Company to better function in accordance with its constituent documents. The Proposed Constitution has been approved by ASX as required under the Listing Rules.

Resolution 6 seeks Shareholder approval for the adoption of a new constitution in accordance with section 136 of the Corporations Act.

Resolution 6 is a special resolution and requires approval of 75% of the votes cast by Shareholders.

A copy of the Proposed Constitution will be sent to any Shareholder upon request and will also be available for inspection at the office of the Company located at Level 13, 37 St Georges Terrace, Perth WA 6000, during normal business hours prior to the Meeting and at the Meeting.

If Resolution 6 is passed, the new Constitution will become effective from the passing of Resolution 6. In summary, the Proposed Constitution includes provisions to the following effect:

(a) Shares

The issue of shares and options by the Company is under the control of the Directors, subject to the Corporations Act, Listing Rules and any rights attached to any special class of shares.

(b) Preference Shares

The Corporations Act requires certain rights of preference shares to be either set out in the Company's constitution or approved in general meeting by special resolution before preference shares are issued.

The Proposed Constitution sets out a framework of rights for preference share issues from which the Board can determine to allot and issue preference shares, without the need to obtain further shareholder approval every time an allotment of preference shares is proposed. The Proposed Constitution contains the framework as well as specific rights of preference shares as to the repayment of capital, requirements for redemption (if the preference shares are redeemable), participation in surplus assets and profits, voting rights and priority of payment of capital and dividends. Other specific terms, including the dividend amount, the redemption date (if applicable) and redemption amount (if applicable), would be set by the issuing resolution of the Directors.

(c) Reductions of Capital

The Proposed Constitution is consistent with the Corporations Act requirements which must be satisfied by the Company in undertaking an alteration of capital.

(d) Liens

If the Company issues partly paid shares and a call made on those shares is unpaid, the Company will have a lien over the shares on which the call is unpaid. The lien may be enforced by a sale of those shares.

(e) Transfer of Shares

The Company may participate in any clearing and settlement facility provided under the Corporations Act, the Listing Rules and the ASX Settlement Pty Ltd ("ASX Settlement") Operating Rules. Transfers through ASX Settlement are effected electronically in ASX Settlement's Clearing House Electronic Sub register System ("CHESS"). For the purposes of the Company's participation in the CHESS, the Company may issue holding statements in lieu of share certificates. The Company will not charge any fee for registering a transfer of shares. The Directors may refuse to register a transfer of shares in the circumstances permitted or required under the Corporations Act and Listing Rules.

(f) Proportional Takeovers

A proportional takeover bid is one in which the offeror offers only to buy a specified proportion of each Shareholders' shares.

The Proposed Constitution provides for Shareholder approval of any proportional takeover bid for the shares. Subject to the Listing Rules and ASX Settlement Operating Rules, the provisions require the Directors to refuse to register any transfer of shares made in acceptance of a proportional takeover offer until the requisite Shareholder approval has been obtained.

The perceived advantages of including proportional takeover provisions in the Proposed Constitution are that such provisions may:

- (i) enhance the bargaining power of Directors in connection with any potential sale of the Company;
- (ii) improve corporate management by eliminating the possible threat of a hostile takeover through longer term planning;
- (iii) make it easier for Directors to discharge their fiduciary and statutory duties to the Company and its Shareholders to advise and guide in the event of a proportional bid occurring; and
- (iv) strengthen the position of Shareholders of the Company in the event of a takeover, assuming the takeover will result in a sharing of wealth between the offeror and Shareholders, as the more cohesive Shareholders are in determining their response the stronger they are. A requirement for approval can force Shareholders to act in a more cohesive manner. Where Shareholders know that a bid will only be successful if a specified majority of Shareholders accept the offer, they have less to fear by not tendering to any offer which they think is too low.

The perceived disadvantages of including proportional takeover provisions in the Proposed Constitution include the following matters:

- (i) a vote on approval of a specific bid suffers from a bias in favour of the incumbent Board;
- (ii) the provisions are inconsistent with the principle that a share in a public company should be transferable without the consent of other Shareholders; and
- (iii) a Shareholder may lack a sufficient financial interest in any particular company to have an incentive to determine whether the proposal is appropriate.

To comply with the Corporations Act, the proportional takeover provisions must be renewed by Shareholders in general meeting at least every 3 years to remain in place.

(g) Alterations of share capital

Shares may be converted or cancelled with Shareholder approval and the Company's share capital may be reduced in accordance with the requirements of the Corporations Act and the Listing Rules.

(h) Buy Backs

The Company may buy back shares in itself on terms and at such times determined by the Directors.

(i) Disposal of less than a Marketable Parcel

For the sake of avoiding excessive administration costs, the Proposed Constitution contains provisions enabling the Company to procure the disposal of shares where the Shareholder holds less than a marketable parcel of shares within the meaning of the Listing Rules (being a parcel of shares with a market value of less than \$500). To invoke this procedure, the Directors must first give notice to the relevant Shareholder holding less than a marketable parcel of shares, who may then elect not to have his or her shares sold by notifying the Directors.

(j) Variation of class rights

Class rights attaching to a particular class of shares may be varied or cancelled with the consent in writing of holders of 75% of the shares in that class or by a special resolution of the holders of shares in that class.

(k) Meetings of Shareholders

Directors may call a meeting of Shareholders whenever they think fit. Shareholders may call a meeting as provided by the Corporations Act. The Proposed Constitution contains provisions prescribing the content requirements of notices of meetings of Shareholders and all Shareholders are entitled to a notice of meeting. Consistent with the new Corporations Act provisions, a meeting may be held in two or more places linked together by audio-visual communication devices. A quorum for a meeting of Shareholders is 2 eligible voters.

The Company will hold annual general meetings in accordance with the Corporations Act and the Listing Rules.

(l) Voting of Shareholders

Resolutions of Shareholders will be decided by a show of hands unless a poll is demanded. On a show of hands each eligible voter present has one vote. On a poll each eligible Shareholder has one vote for each fully paid share held and a fraction of a vote for each partly paid share determined by the amount paid up on that share.

(m) Proxies

An eligible Shareholder may appoint a proxy to attend and vote at the meeting on the Shareholder's behalf. The Proposed Constitution contains provisions specifying the manner of lodgement of proxy instruments. A Shareholder may appoint an individual or corporation to act as its representative.

(n) Directors

Unless changed by the Company in general meeting, the minimum number of directors is 3 and the maximum is 10. The existing directors of the Company may appoint a new Director to fill a casual vacancy or as an addition to the board. Any such Director must retire at the next following annual general meeting of the Company (at which meeting he or she may be eligible for election as director). No Director other than the Managing Director may hold office for longer than 3 years without submitting himself or herself for re-election.

(o) Powers of Directors

The business of the Company is to be managed by or under the direction of the Directors.

(p) Remuneration of Directors

The Company may pay non-executive Directors a maximum of the total amount as determined by the Shareholders in general meeting and such sum must not be paid by way of commission on, or percentage of, profits or operating revenue.

The remuneration of executive Directors will be subject to the provisions of any contract between each of them and the Company and may be by way of commission on, or percentage of, profits of the Company, but will not be by way of commission on, or percentage of, operating revenue.

(q) Execution of documents

The Proposed Constitution provides for execution of documents by the Company without the use of the Company's company seal.

(r) Dividends

Subject to and in accordance with the Corporations Act, the Listing Rules, the rights of any preference shares and to the rights of the holders of any shares created or raised under any special arrangement as to dividends, the Directors may from time to time declare dividends to be paid to the shareholders entitled to dividends. Subject to the rights of any preference shares and to the rights of the holders of any Shares created or raised under any special arrangement as to dividends, the dividends as declared shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

(s) Indemnities and insurance

To the extent permitted by law, the Company indemnifies every person who is, or has been, a Director or Secretary of the Company against a liability incurred by that person in his or her capacity as a Director or Secretary provided that the liability does not arise out of conduct involving a lack of good faith (otherwise referred to as an excluded liability). A similar indemnity is provided in respect of legal proceedings. The Company may also pay the premiums on directors' and officers' liability insurance.

The Directors recommend that Shareholders vote in favour of Resolution 6.

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## **10. Resolution 7 – Approval of grant of Incentive Securities to Mr Brad Marwood**

### **10.1 General**

Mr Marwood was appointed as Chief Executive Officer of the Company on 4 March 2018. As part of the incentive component of Mr Marwood's remuneration package, the Company has agreed to grant Mr Marwood 3,000,000 Incentive Options and 3,000,000 Incentive Performance Rights (together the **Incentive Securities**).

The Incentive Securities will be granted for nil consideration. Vesting of the Incentive Securities is subject to certain vesting conditions set out below. The expiry date of the Incentive Securities and exercise price of the Incentive Options is set out below.

Resolution 7 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of the Incentive Securities to Mr Marwood.

A summary of Listing Rule 7.1 is provided in Section 8.1. Shareholder approval is being sought under Listing Rule 7.1 for Resolution 7 to preserve the Company's 15% capacity under Listing Rule 7.1.

Resolution 7 is an ordinary resolution.

## 10.2 Specific Information Required by Listing Rule 7.3

For the purposes of Listing Rule 7.3 information regarding the issue of the Incentive Securities is provided as follows:

- (a) The maximum number of Securities the Company may issue to Mr Marwood (and/or his nominees) is as follows:
- (i) 1,000,000 Class A Incentive Options;
  - (ii) 1,000,000 Class B Incentive Options; and
  - (iii) 1,000,000 Class C Incentive Options;
  - (iv) 1,000,000 Class A Incentive Performance Rights;
  - (v) 1,000,000 Class B Incentive Performance Rights; and
  - (vi) 1,000,000 Class C Incentive Performance Rights.
- (b) The Incentive Options will be granted in three classes each exercisable at \$0.06 and with the vesting date and specified expiry date set out below:

Class	Vesting Date	Specified Expiry Date
Class A Incentive Options	The date on which the Company achieves 90% equity in the Plomosas Project and commencement of early production	31 December 2018
Class B Incentive Options	The date on which the Company commissions plant and mine operations	30 September 2019
Class C Incentive Options	The date on which the Company achieves $\geq 200,000$ tpa production levels	30 June 2020

If an Incentive Option has not vested by the specified expiry date then the Incentive Option will lapse. An unvested Incentive Option will also lapse if the holder ceases to be an Employee of the Company by any reason other than retirement, total and permanent disability, redundancy or death (unless the Board determines otherwise).

Refer to Schedule 2 for further terms and conditions of the Incentive Options.



- (c) The Incentive Performance Rights will be granted in three classes with the performance conditions and the expiry date set out below:

Class	Performance Condition	Expiry Date
Class A Incentive Performance Rights	The Company obtaining 90% equity in the Plomosas Project and commencement of early production	31 December 2018
Class B Incentive Performance Rights	Commissioning of plant and mine operations	30 September 2019
Class C Incentive Performance Rights	Achieving $\geq 200,000$ tpa production levels	30 June 2020

If a performance condition is not achieved by the relevant expiry date then the Incentive Performance Right will lapse. An Incentive Performance Right will also lapse if the holder ceases to be an Employee of the Company by any reason of resignation, termination for poor performance or termination for cause.

Refer to Schedule 4 for further terms and conditions of the Incentive Performance Rights.

- (d) The Incentive Securities will be granted for nil consideration as part of the incentive component of Mr Marwood's remuneration. Accordingly, no funds will be raised from the issue of the Incentive Securities.
- (e) The Company will issue the Incentive Securities no later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that all of the Incentive Securities will be issued on the same date.
- (f) A voting exclusion statement is included in the Notice.

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## 11. Resolution 8 – Approval of convertibility of part of the Copulos Group Convertible Loan

### 11.1 General

On 12 October 2015, the Company entered into a convertible loan facility with the Copulos Group Companies (**Copulos Group Convertible Loan**) to fast track the drilling program at the Plomosas Project in northern Mexico.

The key terms of the Copulos Group Convertible Loan are as follows:

- \$1,000,000 total facility with \$500,000 available immediately on establishment;
- the facility has a maturity date of 31 December 2018;
- subject to Shareholder approval, the Company will pay a fixed fee of 3,000,000 Shares as both interest and a facilitation fee to the Copulos Group Companies; and

- subject to Shareholder approval, the facility will convert, at the option of the Copulos Group Companies, to Shares at the same price as the Company's most recent capital raising.

The Company has drawn down the full \$1,000,000 under the Copulos Group Convertible Loan and issued the fee Shares pursuant to Shareholder approval obtained on 25 November 2015. The Copulos Group Companies converted \$322,500 of the Copulos Group Convertible Loan into 26,875,000 Shares following Shareholder approval obtained on 28 November 2017. Accordingly the Company is seeking Shareholder approval for the conversion of the remaining \$677,500 of the Copulos Group Convertible Loan into Shares.

The Company's most recent capital raising was completed on 11 September 2018 at an issue price of \$0.012 per Share. Based on this issue price, up to \$677,500 of the Copulos Group Convertible Loan will convert into up to 56,458,333 Shares at the option of the Copulos Group Companies. If the Company completes a capital raising at a higher price prior to conversion of the Copulos Group Convertible Loan, then the total face value of the Copulos Group Convertible Loan will be satisfied through the issue of less than 56,458,333 Shares. If the Company completes a capital raising at a lower price prior to conversion of the Copulos Group Convertible Loan, then the Company will issue 56,458,333 Shares in satisfaction of less than the total face value of the Copulos Group Convertible Loan.

Resolution 8 seeks the approval of Shareholders under Listing Rule 10.11 for the issue of up to 56,458,333 Shares to the Copulos Group Companies (and/or their nominees) on conversion of \$677,500 of the Copulos Convertible Loan.

Listing Rule 10.11 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 Listing Rule 10.12 applies. Approval pursuant to Listing Rule 7.1 is not required in order to issue the Copulos Group Conversion Shares as approval is being obtained under Listing Rule 10.11.

Each of the Copulos Group Companies is a related party of the Company by virtue of being controlled by a Director of the Company, Mr Stephen Copulos.

If Shareholder approval is given under Listing Rule 10.11 for issue of Shares on conversion of the Copulos Convertible Loan, approval is not required under Listing Rule 10.11 for the issue of the Copulos Group Conversion Shares to the Copulos Group Companies pursuant to exception 7 of Listing Rule 10.12.

Resolution 8 is an ordinary resolution.

## **11.2 Specific information required by Listing Rule 10.13**

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the issue of the Copulos Group Conversion Shares:

- (a) The Copulos Group Convertible Loan has been entered into with, and will be convertible by, the Copulos Group Companies.
- (b) Up to \$677,500 of the total \$1,000,000 (in aggregate) drawn down under the Copulos Group Convertible Loan will be convertible, at the option of the Copulos Group Companies, into a maximum of up to 56,458,333 Shares (at an effective price of \$0.012 per Share, being the same issue price under the Company's most recent capital raising completed on 11 September 2018). If the Company completes a

capital raising at a higher price prior to conversion of the Copulos Group Convertible Loan, then the total face value of the Copulos Group Convertible Loan will be satisfied through the issue of less than 56,458,333 Shares. If the Company completes a capital raising at a lower price prior to conversion of the Copulos Group Convertible Loan, then the Company will issue 56,458,333 Shares in satisfaction of less than the total face value of the Copulos Group Convertible Loan.

- (c) The Copulos Group Conversion Shares will be fully paid ordinary shares in the capital of the Company ranking equally in all respects with the Company's other existing Shares on issue.
- (d) Further terms and conditions of the Copulos Group Convertible Loan are set out in Section 11.1.
- (e) Each of the Copulos Group Companies are a related party of the Company by virtue of being controlled by Director, Mr Stephen Copulos.
- (f) The Copulos Group Conversion Shares may be issued no later than one month after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules). It is expected that all of the Copulos Group Conversion Shares will be issued on the same date following an election by the Copulos Group Companies to convert up to \$677,500 of the Copulos Group Convertible Loan.
- (g) The funds raised from the issue of the Copulos Group Convertible Loan has been used to fast track the drilling program at the Plomosas Project and for general working capital purposes.
- (h) A voting exclusion statement is included in the Notice

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## **12. Resolution 9 – Approval of convertibility of April Convertible Loans**

### **12.1 General**

During April, May and July 2018 the Company entered into convertible loan facilities aggregating \$650,000 with the April Convertible Loan Parties to provide working capital (**April Convertible Loans**).

The key terms of the April Convertible Loans are as follows:

- Each April Convertible Loan was drawn down as a single drawdown on the relevant issue date.
- Interest of 10% p.a. is payable in cash on maturity or conversion of the April Convertible Loans.
- The April Convertible Loans have a maturity date of 12 months from the issue date.
- Conversion of each April Convertible Loans is at the election of the relevant April Convertible Loan Party at any time during the period commencing on the date that the Company obtains Shareholder approval and ending 10 business days prior to the Maturity Date.

- The April Convertible Loans are convertible at \$0.01 per Share (being the lesser of \$0.01 and the price of the Placement of \$0.012).
- The April Convertible Loans are transferable subject to the Company's consent.
- The April Convertible Loans are repayable in full on the maturity date unless converted earlier.
- The April Convertible Loans are unsecured.

Resolution 9 seeks Shareholder approval under Listing Rule 7.1 for the ability of April Convertible Loan Parties to convert the April Convertible Loans into up to 65,000,000 Shares.

A summary of Listing Rule 7.1 is provided in Section 8.1.

If Shareholder approval is given under Listing Rule 7.1 for the ability to convert the April Convertible Loans, approval is not required under Listing Rule 7.1 for the issue of the April Conversion Shares to the April Convertible Loan Parties on conversion of the April Convertible Loans pursuant to exception 4 of Listing Rule 7.2.

Resolution 9 is an ordinary resolution.

## **12.2 Specific information required by Listing Rule 7.3**

For the purposes of Listing Rule 7.3, information regarding the ability to convert the April Convertible Loans is provided as follows:

- The April Convertible Loan has been entered into with, and will be convertible by, the April Convertible Loan Parties being Jetosea, Shayden, Chikrim and Westpark (and/or their nominees). The April Convertible Loan Parties are all existing Shareholders of the Company, none of whom are a related party of the Company.
- The maximum number of Shares that the April Convertible Loans will be convertible into is as follows:
  - Jetosea – 20,000,000 Shares (\$200,000 issue price);
  - Shayden – 5,000,000 Shares (\$50,000 issue price);
  - Chikrim – 10,000,000 Shares (\$100,000 issue price); and
  - Westpark – 30,000,000 Shares (\$300,000 issue price).
- If approved by Shareholders, the April Convertible Loans will become equity securities for the purposes of the Listing Rules at the time of the approval being obtained. The issue price of the April Convertible Loans in aggregate is \$650,000.
- The amount drawn down by the Company pursuant to the April Convertible Loans (\$650,000) will be convertible into Shares each at an issue price of \$0.01.
- The April Conversion Shares will be fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's other existing Shares on issue.

- (f) Further terms and conditions of the April Convertible Loans are set out in Section 12.1.
- (g) Each April Convertible Loan will be convertible at the relevant April Convertible Loan Party's election prior to the maturity date.
- (h) The funds raised from the issue of the April Convertible Loans have been, or will be used for working capital purposes.
- (i) A voting exclusion statement is included in the Notice.
- (j) The dilution to the Shareholders other than the April Convertible Loan Parties as a result of the issue of the April Conversion Shares (assuming conversion of the April Convertible Loans) is as follows:

April Convertible Loan Party	Shares on issue following conversion of the April Convertible Loans*	Shares to be issued to April Convertible Loan Party	Dilution effect
Jetosea	989,938,186	20,000,000	2.02%
Shayden	989,938,186	5,000,000	0.51%
Chikrim	989,938,186	10,000,000	1.01%
Westpark	989,938,186	30,000,000	3.03%

\* Assumes no other convertible loans or securities are converted prior to conversion of the April Convertible Loans.

## 13. Resolution 10 – Approval of convertibility of Richards Convertible Loans

### 13.1 General

At the same time as entering into the April Convertible Loans, the Company also entered into loan facilities aggregating \$50,000 with related parties of Director, Andrew Richards (**Richards Parties**) to provide working capital (**Richards Convertible Loans**).

The key terms of the Richards Convertible Loans are as follows:

- The Richards Convertible Loans were drawn down as a single drawdown on the issue date.
- Interest of 10% p.a. is payable in cash on maturity or conversion of the Richards Convertible Loans.
- The Richards Convertible Loans have a maturity date of 12 months from the issue date.
- Conversion of the Richards Convertible Loans is at the election of the relevant Richards Party at any time during the period commencing on the date that the

Company obtains Shareholder approval and ending 10 business days prior to the Maturity Date.

- The Richards Convertible Loans are convertible at the lesser of \$0.01 and price of the Company's next capital raising. The Company's next capital raising was the Placement at \$0.012 per Share. Accordingly, the Richards Convertible Loans will be convertible at \$0.01 per Share.
- The Richards Convertible Loans are transferable subject to the Company's consent.
- If the Richards Convertible Loans are repayable in full on the maturity date unless converted earlier.
- The Richards Convertible Loans are unsecured.

Resolution 10 seeks Shareholder approval under Listing Rule 10.11 for the ability for the Richards Parties to convert the Richards Convertible Note into Shares.

Listing Rule 10.11 provides, subject to certain exceptions, that shareholder approval is required for any issue of equity securities (which includes convertible securities) by a listed company to a related party. The Richards Parties are related parties of the Company as they are controlled by Mr Andrew Richards, a Director, and none of the exceptions contained in Listing Rule 10.12 apply. Accordingly, Shareholder approval is required in accordance with Listing Rule 10.11.

If Shareholder approval is given under Listing Rule 10.11 for the ability to convert the Richards Convertible Loans, approval is not required under Listing Rule 10.11 for the issue of the Richards Conversion Shares to the Richards Parties on conversion of the Richards Convertible Loans pursuant to exception 7 of Listing Rule 10.12.

Resolution 10 is an ordinary resolution.

### **13.2 Specific information required by Listing Rule 10.13**

For the purposes of Shareholder approval of the ability to convert the Richards Convertible Loans and the requirements of Listing Rule 10.13, information is provided as follows:

- (a) The Richards Convertible Loans have been entered into with, and will be convertible by, the Richards Parties.
- (b) The Richards Convertible Loans will be convertible into a maximum of 5,000,000 Shares on conversion. If approved by Shareholders the Convertible Loan will become an equity security for the purposes of the Listing Rules at the time of the approval being obtained. The aggregate issue price of the Convertible Notes are \$50,000.
- (c) The amount drawn down by the Company pursuant to the Richards Convertible Loans (\$50,000) will be convertible into Shares at \$0.01 per Share (being the lesser of \$0.01 and the price of the Company's next capital raising, which was the Placement at \$0.012 per Share). The Shares will be issued on the same terms as the Company's existing Shares;
- (d) Further terms and conditions of the Richards Convertible Loans are set out in Section 13.1.

- (e) Richards Parties are related parties of the Company as they are controlled by Mr Andrew Richards, a Director.
- (f) The Richards Convertible Loans will become convertible at the relevant Richards Party's sole discretion from the date of the Meeting.
- (g) The funds raised from the issue of the Richards Convertible Loans have been, or will be, used for working capital purposes.
- (h) A voting exclusion statement is included in the Notice.
- (i) The dilution to the Shareholders other than the Richards Parties as a result of the issue of the Richards Conversion Shares (assuming conversion of the Richards Convertible Loans) is as follows:

	Shares on issue following conversion of the Richards Convertible Loans*	Shares to be issued to Richards Parties	Dilution effect
Richards Parties	929,938,186	5,000,000	0.54%

\* Assumes no other convertible loans or securities are converted prior to conversion of the Richards Convertible Loans.

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## 14. Resolution 11 – Approval of convertibility of August Convertible Loans

### 14.1 General

During August 2018 the Company entered into convertible loan facilities aggregating \$250,000 with the August Convertible Loan Parties to provide funds for the development of the Plomosas Zinc mine and working capital (**August Convertible Loans**).

The key terms of the August Convertible Loans are as follows:

- Each August Convertible Loan was drawn down as a single drawdown on the relevant issue date.
- Interest of 10% p.a. is payable in cash 12 months after the issue date and on maturity or conversion of the August Convertible Loans.
- The August Convertible Loans have a maturity date of 12 months from the issue date which can be extended to 24 months from the issue date by agreement between the Company and the relevant August Convertible Loan Party.
- Conversion of each August Convertible Loans is at the election of the relevant August Convertible Loan Party at any time during the period commencing on the date that the Company obtains Shareholder approval and ending 10 business days prior to the Maturity Date.
- The August Convertible Loans are convertible at \$0.01 per Share where the August Convertible Loan is converted within 12 months of the issue date and \$0.015 per

Share where the August Convertible Loan is converted within 12 and 24 months of the issue date.

- The August Convertible Loans are transferable subject to the Company's consent.
- The August Convertible Loans are repayable in full on the maturity date unless converted earlier.
- The August Convertible Loans are unsecured.

Resolution 11 seeks Shareholder approval under Listing Rule 7.1 for the ability of August Convertible Loan Parties to convert the August Convertible Loans into up to 25,000,000 Shares.

A summary of Listing Rule 7.1 is provided in Section 8.1.

If Shareholder approval is given under Listing Rule 7.1 for the ability to convert the August Convertible Loans, approval is not required under Listing Rule 7.1 for the issue of the August Conversion Shares to the August Convertible Loan Parties on conversion of the August Convertible Loans pursuant to exception 4 of Listing Rule 7.2.

Resolution 11 is an ordinary resolution.

#### **14.2 Specific information required by Listing Rule 7.3**

For the purposes of Listing Rule 7.3, information regarding the ability to convert the August Convertible Loans is provided as follows:

- (a) The August Convertible Loan has been entered into with, and will be convertible by, August Convertible Loan Parties being Shayden, Chrikim and Westpark (and/or their nominees). The August Convertible Loan Parties are all existing Shareholders of the Company, none of whom are a related party of the Company.
- (b) The maximum number of Shares that the August Convertible Loans will be convertible into is as follows:
  - (i) Shayden – 5,000,000 Shares (\$50,000 issue price);
  - (ii) Chrikim – 10,000,000 Shares (\$100,000 issue price); and
  - (iii) Westpark – 10,000,000 Shares (\$100,000 issue price).
- (c) If approved by Shareholders, the August Convertible Loans will become equity securities for the purposes of the Listing Rules at the time of the approval being obtained. The issue price of the August Convertible Loans in aggregate is \$250,000.
- (d) The amount drawn down by the Company pursuant to the August Convertible Loans (\$250,000) will be convertible into Shares each at an issue price of \$0.01 if converted within 12 month of the issue date or \$0.015 if converted between 12 and 24 months of the issue date.
- (e) The August Conversion Shares will be fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's other existing Shares on issue.



- (f) Further terms and conditions of the August Convertible Loans are set out in Section 14.1.
- (g) Each August Convertible Loan will be convertible at the relevant August Convertible Loan Party's election prior to the maturity date.
- (h) The funds raised from the issue of the August Convertible Loans have been, or will be used for the development of the Plomosas Zinc mine and working capital.
- (i) A voting exclusion statement is included in the Notice.
- (j) The dilution to the Shareholders other than the August Convertible Loan Parties as a result of the issue of the August Conversion Shares (assuming conversion of the August Convertible Loans) is as follows:

August Convertible Loan Party	Shares on issue following conversion of the August Convertible Loans*	Shares to be issued to August Convertible Loan Party	Dilution effect
Shayden	949,938,186	5,000,000	0.53%
Chikrim	949,938,186	10,000,000	1.05%
Westpark	949,938,186	10,000,000	1.05%

\* Assumes no other convertible loans or securities are converted prior to conversion of the August Convertible Loans.

## 15. Resolutions 12 and 13 – Authority to grant Plan Performance Rights to Participating Directors

### 15.1 General

The Company is proposing to issue the following Plan Performance Rights, subject to obtaining Shareholder approval:

- (a) 2,750,000 Plan Performance Rights (comprising 500,000 Class D Plan Performance Rights, 500,000 Class E Plan Performance Rights, 500,000 Class F Plan Performance Rights, 250,000 Class G Plan Performance Rights, 500,000 Class H Plan Performance Rights and 500,000 Class I Plan Performance Rights) to Mr Stephen Copulos (and/or his nominees); and
- (b) 2,750,000 Plan Performance Rights (comprising 500,000 Class D Plan Performance Rights, 500,000 Class E Plan Performance Rights, 500,000 Class F Plan Performance Rights, 250,000 Class G Plan Performance Rights, 500,000 Class H Plan Performance Rights and 500,000 Class I Plan Performance Rights) to Mr Andrew Richards (and/or his nominees),

under the Performance Rights Plan as a long term incentive in connection with their role as Directors. The Company adopted the Performance Rights Plan at its 2016 Annual General Meeting.

The Company is a small listed company with limited funds, most of which are allocated to specific development activities. As a result, the Board has chosen to issue Plan Performance Rights to

Messrs Copulos and Richards as a key component of the incentive portion of their remuneration in order to retain the services of those Directors and to provide incentive linked to the performance of the Company.

The Board considers that the experience of the Messrs Copulos and Richards will greatly assist the development of the Company. As such, the Board believes that the number of Plan Performance Rights to be granted to Messrs Copulos and Richards is commensurate with their value to the Company.

The Company has considered the remuneration structures of several of its ASX listed peer companies to determine a suitable quantum and structure of an incentive based remuneration plan for management and executive and non-executive members of the Board. As a result of this review the Company believes that the issue of the Plan Performance Rights is a fair and reasonable incentive based remuneration package. In considering the above remuneration package, the Company has researched and considered recent incentive plans implemented by the Company's peers.

Shareholder approval is required for the grant of the Director Plan Performance Rights to Messrs Copulos and Richards under Listing Rule 10.14 because Messrs Copulos and Richards are Directors of the Company.

As Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rule 7.1 is not required. Accordingly, the issue of Director Plan Performance Rights to Messrs Copulos and Richards will not reduce the Company's 15% capacity for the purposes of Listing Rule 7.1.

Resolutions 12 and 13 seek Shareholder approval for the grant of the Director Plan Performance Rights to Directors Mr Stephen Copulos and Mr Andrew Richards (or their nominees).

Resolutions 12 and 13 are ordinary resolutions.

## **15.2 Specific Information required by Listing Rule 10.15**

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided in relation to Resolutions 12 and 13:

- (a) The maximum number of securities to be issued is:
  - (i) 2,750,000 Plan Performance Rights (comprising 500,000 Class D Plan Performance Rights, 500,000 Class E Plan Performance Rights, 500,000 Class F Plan Performance Rights, 250,000 Class G Plan Performance Rights, 500,000 Class H Plan Performance Rights and 500,000 Class I Plan Performance Rights) to Mr Stephen Copulos (and/or his nominees). These Plan Performance Rights are equivalent to 0.29% of the Company's current issued capital (on an undiluted basis); and
  - (ii) 2,750,000 Plan Performance Rights (comprising 500,000 Class D Plan Performance Rights, 500,000 Class E Plan Performance Rights, 500,000 Class F Plan Performance Rights, 250,000 Class G Plan Performance Rights, 500,000 Class H Plan Performance Rights and 500,000 Class I Plan Performance Rights) to Mr Andrew Richards (and/or his nominees). These Plan Performance Rights are equivalent to 0.29% of the Company's current issued capital (on an undiluted basis).

(b) The Plan Performance Rights will be granted in six tranches with the performance conditions and expiry dates set out below:

<b>Class</b>	<b>Performance Condition</b>	<b>Expiry Date</b>
Class D Plan Performance Rights	The Company announcing a JORC compliant resource estimate comprised of any or all of the measured, indicated and/or inferred categories containing not less than 1.75MT at a minimum grade of 15% Zn+Pb or 275kt Zn and Pb contained metal at a minimum grade of 11%	30 December 2019
Class E Plan Performance Rights	The Company announcing a JORC compliant resource estimate comprised of any or all of the measured, indicated and/or inferred categories containing not less than 2.0MT at a minimum grade of 15% Zn+Pb or 320kt Zn and Pb contained metal at a minimum grade of 11%	30 June 2020
Class F Plan Performance Rights	The Company announcing a JORC compliant resource estimate comprised of any or all of the measured, indicated and/or inferred categories containing not less than 2.5MT at a minimum grade of 15% Zn+Pb or 400kt Zn and Pb contained metal at a minimum grade of 11%	30 December 2020
Class G Plan Performance Rights	The Company achieving >3,000tpm production levels of plant feed, being anything mined and hauled to the surface from the Company's projects	30 December 2019
Class H Plan Performance Rights	The Company achieving >8,000tpm production levels of plant feed, being anything mined and hauled to the surface from the Company's projects	30 June 2020
Class I Plan Performance Rights	The Company achieving >16,000tpm production levels of plant feed, being anything mined and hauled to the surface from the Company's projects	30 December 2020

On achievement of the applicable Performance Condition, each Plan Performance Right will convert into a Share.

If a Performance Condition of a Plan Performance Right is not achieved by the end date of the specified period, then the Plan Performance Right will lapse.

If a Takeover Event (as described in Schedule 5) occurs prior to the expiry or conversion of a Performance Right, then the Performance Right will convert.

See Schedule 5 for the full terms and conditions of the Plan Performance Rights.

- (c) The Director Plan Performance Rights will be issued for nil cash consideration as they are being issued as incentive-based remuneration. Accordingly, there is no loan available in relation to the Plan Performance Rights and no funds will be raised from the issue of the Director Plan Performance Rights. Upon conversion of the Director Plan Performance Rights, Shares will be issued on a one for one basis on the same terms as the Company's existing Shares.
- (d) Each of Mr Copulos and Mr Richards have received 1,500,000 Plan Performance Rights for nil consideration under the Plan since the Plan was approved at the Company's 2016 Annual General Meeting. In addition, the Company has granted 2,000,000 to former director, Mr Will Dix pursuant to the Plan.
- (e) Under the Plan, only Eligible Employees or their nominees (subject to Board approval), are entitled to participate in the Plan. Each of Messrs Copulos and Richards are an Eligible Employee for the purposes of the Plan. Mrs Pankhurst is an Eligible Employee for the purposes of the Plan.
- (f) Each of Messrs Copulos and Richards are a related party of the Company by virtue of being a Director.
- (g) Voting exclusion statements are included in the Notice.
- (h) The Company will grant the Plan Performance Rights no later than 12 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

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## 16. Definitions

In this Notice, Explanatory Memorandum and Proxy Form:

**\$** means Australian Dollars.

**10% Placement Facility** has the meaning given in Section 5.1.

**10% Placement Period** has the meaning given in Section 5.2(f)

**AEDT** means Australian Eastern Daylight Time, being the time in Melbourne, Victoria.

**Annual Report** means the Directors' Report, the Financial Report and Auditor's Report in respect to the financial year ended 30 June 2018.

**April Conversion Shares** has the meaning in Resolution 9.

**April Convertible Loans** has the meaning in Section 12.1

**April Convertible Loan Parties** means Jetosea, Shayden, Chikrim and Westpark.

**August Conversion Shares** has the meaning in Resolution 11.

**August Convertible Loans** has the meaning in Section 11.

**August Convertible Loan Parties** means Shayden, Chikrim and Westpark.

**ASIC** means Australian Securities and Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

**Auditor's Report** means the auditor's report on the Financial Report.

**Board** means the board of Directors.

**Chair** means the person appointed to chair the Meeting.

**Chrikim** means Chrikim Pty Ltd ACN 071 569 714.

**Citywest Corp** means Citywest Corp Pty Ltd ACN 081 721 413 ATF Copulos (Sunshine) Unit Trust.

**Closely Related Party** means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

**Company** means Consolidated Zinc Limited ACN 118 554 359.

**Company Group** means the Company and its 'related bodies corporate' (as that term is defined in the Corporations Act).

**Constitution** means the current constitution of the Company.

**Copulos Group Companies** means Spacetime, Citywest Corp and Eyeon Investments.

**Copulos Group Convertible Loan** has the meaning in Section 11.1.

**Copulos Group Conversion Shares** has the meaning in Resolution 8.

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

**Director** means a director of the Company.

**Directors' Report** means the annual directors report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

**Equity Securities** has the same meaning as in the Listing Rules.

**Explanatory Memorandum** means the explanatory memorandum attached to the Notice.

**Eyeon Investments** means Eyeon Investments Pty Ltd ACN 096 482 781 ATF Eyeon Investments Family Trust.

**Financial Report** means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

**Incentive Option** means an Option exercisable at \$0.06 with the vesting date and specified expiry date set out in Section 10.2 and otherwise with the terms and conditions in Schedule 3.

**Incentive Performance Right** means a Performance Right on the terms and conditions in Schedule 5

**Incentive Securities** has the meaning in Section 10.1.

**Jetosea** means Jetosea Pty. Limited ACN 003 784 441.

**Richards Convertible Loans** has the meaning in Section 12.1.

**Jetosea Conversion Shares** has the meaning in Resolution 9.

**Key Management Personnel** means a person having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

**Listing Rules** means the listing rules of ASX.

**Meeting** has the meaning in the introductory paragraph of the Notice.

**Notice** means this notice of meeting.

**Option** means an option to acquire a Share.

**Plan Performance Right** means a Performance Right issued pursuant to the Plan on the terms and conditions in Schedule 5.

**Performance Right** means a right to acquire a Share.

**Performance Rights Plan** or **Plan** means the Consolidated Zinc Performance Rights Plan.

**Placement** has the meaning in Section 8.1.

**Placement Participants** means the sophisticated and professional investors who participated in the Placement.

**Placement Option** means an Option exercisable at \$0.025 on or before 31 December 2020 and otherwise with the terms and conditions in Schedule 2.

**Placement Securities** has the meaning in Section 8.1.

**Proxy Form** means the proxy form attached to the Notice.

**Remuneration Report** means the remuneration report of the Company contained in the Directors' Report.

**Resolution** means a resolution contained in this Notice.

**Richards Parties** means Mr Andrew Lehane Richards and Mrs Kerry Suzanne Richards <Richards Parties Super Fund>; and Arc Resources Pty Ltd <AK GrowthTrust>.

**Schedule** means a schedule to this Notice.

**Section** means a section contained in this Explanatory Memorandum.

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

**Shareholder** means a shareholder of the Company.

**Shayden** means Shayden Nominees Pty. Ltd ACN 082 950 856.

**Spacetime** means Spacetime Pty Ltd ACN 105 191 777 ATF Copulos Executive Super Fund No. 1.

**Trading Day** means a day determined by ASX to be a trading day in accordance with the Listing Rules.

**VWAP** means volume weighted average price.

**Westpark** means Westpark Operations Pty. Ltd. ACN 084 391 864.

In this Notice, words importing the singular include the plural and vice versa.

**Schedule 1 – Equity Securities issued in the preceding 12 months**

Date of Appendix 3B	Number of Equity Securities	Class of Equity Securities and summary of terms	Names of recipients or basis on which recipients determined	Issue price of Equity Securities and discount to Market Price <sup>1</sup> on the trading day prior to the issue	If issued for cash – the total consideration, what it was spent on and the intended use of any remaining funds  If issued for non-cash consideration – a description of the consideration and the current value of the consideration <sup>4</sup>
22 December 2017	107,681,717	Shares <sup>3</sup>	Placement to various sophisticated and professional investors	Issue price: \$0.012. Discount to Market Price: 25.0%.	The Company raised a total of \$1,292,181 (before costs) and all of these funds were spent on the development of the Plomosaz Zinc project and general working capital purposes.
22 December 2017	26,875,000	Shares <sup>3</sup>	Issue for conversion of Copulos Group convertible note	Issue price: \$0.012. Discount to Market Price: 14.2%.	Conversion of \$322,500 convertible note
22 December 2017	1,250,000	Options (each exercisable at \$0.06 on or before 30 June 2023	Issued to Employees	Issue price: Nil. Discount to Market Price: N/A.	Issued for nil cash consideration as a performance based incentive component of remuneration package. Current value - \$11,875 <sup>4</sup> .
22 December 2017	500,000	Performance Rights <sup>2</sup>	Issued to Employee's under the Company's Performance Rights Plan	Issue price: Nil. Discount to Market Price: N/A.	Issued for nil cash consideration as a performance based incentive component of remuneration package. Current value - \$15,500 <sup>4</sup> .
9 March 2018	47,503,333	Shares <sup>3</sup>	Placement to various sophisticated and professional investors	Issue price: \$0.012. Premium to Market Price: 20.0%.	The Company raised a total of \$570,040 (before costs) and all of these funds were spent on the development of the Plomosaz Zinc project and general working capital purposes.
9 March 2018	51,728,349	Options (each exercisable at \$0.025 on or before 31 December 2020	Placement to various sophisticated and professional investors	Issue price: Nil. Discount to Market Price: N/A.	Issued as a 1 for 3 free attaching option for capital raisings completed on 22 December 2017 and 9 March 2018
3 April 2018	40,000,000	Options (each exercisable at \$0.06 on or before 31 December 2020	Issued to Brokers	Issue price: Nil. Discount to Market Price: N/A.	Issued for nil cash consideration as consideration for advisory and professional services in relation to capital raisings. Current value - \$116,000 <sup>4</sup> .



Date of Appendix 3B	Number of Equity Securities	Class of Equity Securities and summary of terms	Names of recipients or basis on which recipients determined	Issue price of Equity Securities and discount to Market Price <sup>1</sup> on the trading day prior to the issue	If issued for cash – the total consideration, what it was spent on and the intended use of any remaining funds  If issued for non-cash consideration – a description of the consideration and the current value of the consideration <sup>4</sup>
3 April 2018	1,500,000	Performance Rights <sup>2</sup>	Issued to Directors under the Company's Performance Rights Plan	Issue price: Nil. Discount to Market Price: N/A.	Issued for nil cash consideration as a performance based incentive component of remuneration package. Current value - \$27,400 <sup>4</sup> .
11 September 2018	16,666,667	Shares <sup>3</sup>	Placement to various sophisticated and professional investors	Issue price: \$0.012. Premium to Market Price: 8.3%.	The Company raised a total of \$200,000 (before costs) and all of these funds were spent on the development of the Plomosas Zinc project and general working capital purposes.
11 September 2018	5,555,555	Options (each exercisable at \$0.025 on or before 31 December 2020)	Placement to various sophisticated and professional investors	Issue price: Nil. Discount to Market Price: N/A.	Issued as a 1 for 3 free attaching Option for capital raising completed on 11 September 2018
11 September 2018	22	Shares <sup>3</sup>	Issue of shares to Option holder that is not a related party of the Company.	Issue price: \$0.025. Premium to Market Price: 92.3%.	Exercise of Options at \$0.025 per share which raised \$0.55. Funds raised from the exercise of the Options will be used for general working capital purposes

Notes:

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises) on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Performance Rights are convertible into Shares on a one for one basis on achievement of performance milestones by 30 September 2019. The full terms and conditions of the Performance Rights are outlined in the notice of meeting (lodged with ASX on 31 October 2016) for the shareholder meeting held on 30 November 2016.
3. Fully paid ordinary shares in the capital of the Company, ASX Code: CZL (terms are set out in the Constitution).
4. Options have been valued using the Black and Scholes option valuation methodology, using assumptions outlined in the Company's 2018 Annual Report (lodged with ASX on 1 October 2018). Performance Rights have been valued using the Binomial Option pricing model.

## Schedule 2 - Terms and Conditions of Placement Options

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

- (a) The amount payable upon exercise of each Option will be \$0.025 (“Exercise Price”).
- (b) Each Option will expire at 5.00pm (AWST) on 31 December 2020 (“Expiry Date”). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The Options are exercisable at any time on or prior to the Expiry Date (“Exercise Period”).
- (d) 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) 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”).
  - (i) Within 15 Business Days after the later of the following:
  - (ii) the Exercise Date; and
  - (iii) when excluded Information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded Information.
- (f) Shares issued on exercise of the Options rank equally with the then issued shares of the Company.
- (g) Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.
- (h) 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 Listing Rules at the time of the reconstruction.
- (i) 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) 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) Application will be made to ASX for Official Quotation of the Options. However, it is not guaranteed that the Options will be listed on the ASX.
- (l) The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

### Schedule 3 - Terms and Conditions of Incentive Options

The Incentive Options will be granted in three classes each exercisable at \$0.06 and with the vesting date and specified expiry date set out below:

Class	Vesting Date	Specified Expiry Date
Class A Incentive Options	The date on which the Company achieves 90% equity in the Plomosas Project and commencement of early production	31 December 2018
Class B Incentive Options	The date on which the Company commissions plant and mine operations	30 September 2019
Class C Incentive Options	The date on which the Company achieves $\geq 200,000$ tpa production levels	30 June 2020

If an Incentive Option has not vested by the specified expiry date then the Incentive Option will lapse. An unvested Incentive Option will also lapse if the holder ceases to be an Employee of the Company by any reason other than retirement, total and permanent disability, redundancy or death (unless the Board determines otherwise).

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

- (b) The amount payable upon exercise of each Option will be \$0.06 ("Exercise Price").
- (b) Each Option will expire at 5.00pm (AWST) on the Expiry Date ("Expiry Date"). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The Options are exercisable at any time on or prior to the Expiry Date ("Exercise Period").
- (d) 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) 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").

- (i) Within 15 Business Days after the later of the following:
  - (ii) the Exercise Date; and
  - (iii) when excluded Information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded Information.
- (f) Shares issued on exercise of the Options rank equally with the then issued shares of the Company.
- (g) Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.
- (h) 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 Listing Rules at the time of the reconstruction.
- (i) 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) 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) Application will be made to ASX for Official Quotation of the Options. However, it is not guaranteed that the Options will be listed on the ASX.
- (l) The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

## Schedule 4 - Terms and Conditions of Incentive Performance Rights

1. Three tranches of Performance Rights will be issued which will vest on the date on which the relevant performance conditions set out below are satisfied:

Class	Performance Condition	Expiry Date
Class A Incentive Performance Rights	The Company obtaining 90% equity in the Plomosas Project and commencement of early production	31 December 2018
Class B Incentive Performance Rights	Commissioning of plant and mine operations	30 September 2019
Class C Incentive Performance Rights	Achieving $\geq 200,000$ tpa production levels	30 June 2020

2. On achievement of the applicable Performance Condition, each Performance Right will convert into one Share.
3. The achievement of a Performance Condition is to be determined by the Board. Performance Rights will convert as soon as the achievement of a relevant performance condition has been determined. For the avoidance of doubt, this may occur before the specified Expiry Date.
4. Lapse Date

A Performance Right will lapse on that date (Lapse Date) which is the earliest to occur of:

- a. failure to meet a Performance Condition by the relevant Expiry Date referred to in the table above;
  - b. a purported transfer of the Performance Right in contravention of these terms;
  - c. the making by the Board of a determination that the holder has acted fraudulently, dishonestly or in breach of the holder's obligations to the Company or any of its subsidiaries;
  - d. as determined in accordance with item 5 below; and
  - e. as determined in accordance with item 6 below.
5. Ceasing to be an Eligible Participant

Unless the Board determines otherwise, where the holder ceases to be employed by the Company:

- a. by reason of resignation, termination for poor performance or termination for cause, all Performance Rights will lapse or be forfeited (as the case may be); or
- b. for any other reason, including (but not limited to):
  - i. his death;
  - ii. total and permanent disablement;
  - iii. redundancy;
  - iv. retirement; or
  - v. termination by agreement,

all Performance Rights will continue to be held by, or on behalf of, the holder (or by his or her estate as a representative) subject to the relevant Performance Conditions.

#### 6. Change of Control

Notwithstanding that Performance Rights have not converted, upon the occurrence of a Change of Control the Board will determine that that number of Performance Rights (that have not yet been converted) that is equal to 10% of the Shares on issue immediately following conversion under this paragraph (or if the conversion of all Performance Rights under this paragraph would be less than 10% of the Shares on issue immediately following conversion, all Performance Rights) will convert into an equivalent number of Shares.

For the purposes of this item 6: "Change of Control" means:

- a. a bona fide Takeover Bid (as defined in the Corporations Act) is declared unconditional and the bidder has acquired a Relevant Interest (as defined in the Corporations Act) in at least 50.1% of the Company's issued Shares;
- b. 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
- c. in any other case, a person obtains Voting Power (as defined in Section 9 of the Corporations Act) in the Company which 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.

#### Other terms

**(No Voting rights)** A Performance Right does not entitle a Holder to vote on any resolutions proposed at a general meeting of shareholders of the Company.

**(No dividend rights)** A Performance Right does not entitle a Holder to any dividends.

**(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 of the Company.

**(Not transferable)** A Performance Right is not transferable.

**(Reorganisation of capital)** If there is a reorganisation (including, without limitation, consolidation, sub-division, reduction or return) of the issued capital of the Company, the rights of a Holder will be varied (as appropriate) in accordance with the Listing Rules which apply to reorganisation of capital at the time of the reorganisation.

**(Quotation of shares on conversion)** An application will be made by the Company to ASX for official quotation of the Shares issued upon the conversion of each Performance Right within the time period required by the Listing Rules.

**(Participation in entitlements and bonus issues)** A Performance Right does not entitle a Holder to participate in new issues of capital offered to holders of Shares, such as bonus issues and entitlement issues.

**(No other rights)** A Performance Right does not give a Holder any other 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 5 - Terms and Conditions of Plan Performance Rights

The Performance Rights will be granted in three milestone based classes as follows:

Class	Performance Condition	Expiry Date
Class D Plan Performance Rights	The Company announcing a JORC compliant resource estimate comprised of any or all of the measured, indicated and/or inferred categories containing not less than 1.75MT at a minimum grade of 15% Zn+Pb or 275kt Zn and PB contained metal at a minimum grade of 11%	30 December 2019
Class E Plan Performance Rights	The Company announcing a JORC compliant resource estimate comprised of any or all of the measured, indicated and/or inferred categories containing not less than 2.0MT at a minimum grade of 15% Zn+Pb or 320kt Zn and PB contained metal at a minimum grade of 11%	30 June 2020
Class F Plan Performance Rights	The Company announcing a JORC compliant resource estimate comprised of any or all of the measured, indicated and/or inferred categories containing not less than 2.5MT at a minimum grade of 15% Zn+Pb or 400kt Zn and PB contained metal at a minimum grade of 11%	30 December 2020
Class G Plan Performance Rights	The Company achieving >3,000tpm production levels of plant feed, being anything mined and hauled to the surface from the Company's projects	30 December 2019
Class H Plan Performance Rights	The Company achieving >8,000tpm production levels of plant feed, being anything mined and hauled to the surface from the Company's projects	30 June 2020
Class I Plan Performance Rights	The Company achieving >16,000tpm production levels of plant feed, being anything mined and hauled to the surface from the Company's projects	30 December 2020

On achievement of the applicable Performance Condition, each Performance Right will convert into a Share.

If a Performance Condition of a Performance Right is not achieved by the specified Expiry Date, then the Performance Right will lapse.

The achievement of a Performance Condition is to be determined by the Board. Performance Rights will convert as soon as the achievement of a relevant performance condition has been determined. For the avoidance of doubt, this may occur before the specified Expiry Date.

**"Takeover Event"** means a takeover bid for the Company pursuant to Chapter 6 of the Corporations Act where at least 50% of the holders of ordinary shareholders accept the bid and such bid is free of conditions or an Australian court grants orders approving a compromise or scheme of arrangement where the Shares are either cancelled or transferred to a third party (not a scheme of arrangement simply for the purposes of a corporate restructure).

## **Other terms**

**(No Voting rights)** A Performance Right does not entitle a Holder to vote on any resolutions proposed at a general meeting of shareholders of the Company.

**(No dividend rights)** A Performance Right does not entitle a Holder to any dividends.

**(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 of the Company.

**(Not transferable)** A Performance Right is not transferable.

**(Reorganisation of capital)** If there is a reorganisation (including, without limitation, consolidation, sub-division, reduction or return) of the issued capital of the Company, the rights of a Holder will be varied (as appropriate) in accordance with the Listing Rules which apply to reorganisation of capital at the time of the reorganisation.

**(Quotation of shares on conversion)** An application will be made by the Company to ASX for official quotation of the Shares issued upon the conversion of each Performance Right within the time period required by the Listing Rules.

**(Participation in entitlements and bonus issues)** A Performance Right does not entitle a Holder to participate in new issues of capital offered to holders of Shares, such as bonus issues and entitlement issues.

**(No other rights)** A Performance Right does not give a Holder any other 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.

# CONSOLIDATED ZINC LIMITED

ACN 118 554 359

## PROXY FORM

Consolidated Zinc Limited

**By post:**

PO Box 692  
West Perth, WA 6872

**By delivery to:**

Level 13  
37 St Georges Terrace  
Perth, WA 6000

**By facsimile:**

+61 8 6141 3101

**By email:**

[info@conzinc.com.au](mailto:info@conzinc.com.au)

### Step 1 – Appoint a Proxy to Vote on Your Behalf

I/We <sup>1</sup> \_\_\_\_\_

of \_\_\_\_\_

being a Shareholder/Shareholders of the Company and entitled to \_\_\_\_\_  
votes in the Company, hereby appoint:

**The Chairman of the Meeting (mark box)**  **OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person you are appointing as your proxy

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally on my/our behalf at the Meeting to be held at Level 14, Boardroom 330 Collins St, Melbourne on 20 November 2018 at 3.00pm (AEDT) and at any adjournment or postponement of the Meeting, on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit, except for as set out below).

**Proxy appointments will only be valid and accepted by the Company if they are made and received no later than 48 hours before the meeting.**

### Important – If the Chairman of the Meeting is your proxy or is appointed your proxy by default

The Chairman of the Meeting intends to vote all available proxies in favour of all Resolutions. If the Chairman of the Meeting is your proxy or is appointed your proxy by default, unless you indicate otherwise by ticking either the 'for', 'against' or 'abstain' box in relation to Resolutions 1, 7, 12 and 13 you will be authorising the Chairman to vote in accordance with the Chairman's voting intentions on Resolutions 1, 7, 12 and 13 even if Resolutions 1, 7, 12 and 13 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

**Please read the voting instructions overleaf before marking any boxes with an .**

### Step 2 - Instructions as to Voting on Resolutions

The proxy is to vote for or against the Resolutions referred to in the Notice as follows:

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Director – Mr Andrew Richards	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Re-election of Director – Mrs Angela Pankhurst	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Ratification of Placement under Listing Rule 7.1 Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Adoption of New Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval of grant of Incentive Securities to Mr Brad Marwood	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Approval of convertibility of part of the Copulos Group Convertible Loan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Approval of convertibility of April Convertible Loans	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10	Approval of convertibility of Richards Convertible Loans	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Resolution 11	Approval of convertibility of August Convertible Loans	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 12	Approval to grant Plan Performance Rights to Mr Stephen Copulos	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 13	Approval to grant Plan Performance Rights to Mr Andrew Richards	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

**The Chairman of the Meeting intends to vote all available proxies in favour of each Resolution.**

**Authorised signature/s**

This section **must** be signed in accordance with the instructions below to enable your voting instructions to be implemented.

Individual or Shareholder 1	Shareholder 2	Shareholder 3
<input style="width: 100%; height: 25px;" type="text"/>	<input style="width: 100%; height: 25px;" type="text"/>	<input style="width: 100%; height: 25px;" type="text"/>
Sole Director and Sole Company Secretary	Director	Director/Company Secretary

_____	_____	_____
Contact Name	Contact Daytime Telephone	Date

<sup>1</sup>Insert name and address of Shareholder

**Proxy Notes:**

A Shareholder entitled to attend and vote at the Meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at the Meeting. If the Shareholder is entitled to cast 2 or more votes at the Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting, the representative of the body corporate to attend the Meeting must produce the Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Company's share registry.

You must sign this form as follows in the spaces provided:

- Individual                    where the holding is in one name, the holder must sign.
- Joint Holding:            where the holding is in more than one name all of the holders should sign.
- Power of Attorney:      if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.
- Companies:                a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received by facsimile transmission at the address below no later than 48 hours prior to the time of commencement of the Meeting (AEDT).

- |                                                                                                                                                                                                |                                                                                                                                                                                                                                                            |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• <b>by post to:</b><br/>Consolidated Zinc Limited<br/>PO Box 692<br/>West Perth, WA 6872</li> <li>• <b>by facsimile to:</b> +61 8 6141 3101</li> </ul> | <ul style="list-style-type: none"> <li><b>by delivery to:</b><br/>Consolidated Zinc Limited<br/>Level 13<br/>37 St Georges Terrace<br/>Perth, WA 6000</li> <li><b>by email to:</b> <a href="mailto:info@conzinc.com.au">info@conzinc.com.au</a></li> </ul> |
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