



**GREAT BOULDER
RESOURCES LIMITED**
ACN 611 695 955

**Notice of Annual General Meeting,
Explanatory Statement and Proxy Form**

**Annual General Meeting to be held at
First Floor, 768 Canning Highway, Applecross, Western Australia
on Monday, 5 November 2018 at 12:30pm**

IMPORTANT NOTE

The Notice of Annual General Meeting, Explanatory Statement and Proxy Form should be read in their entirety. If you are in doubt as to how you should vote, you should seek advice from your accountant, solicitor or other professional adviser prior to voting.

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Important dates

Event	Date
Snapshot date for eligibility to vote	5:00pm on Saturday, 3 November 2018
Last day for receipt of Proxy Forms – Proxy Forms received after this time will be disregarded	12:30pm on Saturday, 3 November 2018
Annual General Meeting	12:30pm on Monday, 5 November 2018

Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting of Great Boulder Resources Limited (ACN 611 695 955) (**Company**) will be held at the offices of the Company located on the First Floor, 768 Canning Highway, Applecross, Western Australia at **12:30pm WST on Monday, 5 November 2018**.

The Explanatory Statement, which accompanies and forms part of this Notice, describes the various matters to be considered.

Terms used in this Notice will, unless the context otherwise requires, have the same meaning given to them in the Glossary set out in the Explanatory Statement.

AGENDA

Annual Report

To receive and consider the Annual Report of the Company for the financial year ended 30 June 2018.

Resolution 1: Adoption of Remuneration Report

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

That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report contained in the Company's annual financial report for the year ended 30 June 2018 be adopted by the Company.

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

Resolution 2: Re-election of Greg Hall as a Director

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

"That, for the purposes of clause 11.4 of the Company's Constitution and for all other purposes, Greg Hall being a Director who retires by rotation under clause 11.3 of the Company's Constitution, and being eligible offers himself for re-election, is re-elected as a Director."

Resolution 3: Ratification of Prior Issue of Shares

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 ratify the issue of 9,259,260 Shares, on the terms and conditions set out in the Explanatory Statement.

Resolution 4: Approval of Additional Placement Facility

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

“That for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of equity securities up to 10% of the number of fully paid ordinary securities of the Company on issue (at the time of issue) calculated in accordance with the formula set out in Listing Rule 7.1A.2 for a period of 12 months from the date of the Meeting on the terms and conditions set out in the Explanatory Statement.”

Note: Resolution 4 is a special resolution. To be passed, it must be approved by at least 75% of the votes cast by Shareholders entitled to vote on the Resolution.

Resolution 5: Approval to grant Performance Rights to the Company’s Managing Director, Mr Stefan Murphy

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, Shareholders approve the grant of up to 500,000 Performance Rights to Mr Stefan Murphy (or his nominee) under the Incentive Plan, on the terms and conditions set out in the Explanatory Statement.

Voting Exclusions

For the purposes of the Corporations Act and Listing Rule 14.11, the following voting exclusion statements apply to the Resolutions. The Company will disregard any votes on the following Resolutions cast in favour of the Resolution by or on behalf of the following persons:

Resolution	Excluded parties
1	Members of Key Management Personnel whose remuneration is detailed in the Remuneration Report and their Closely Related Parties (which includes spouse, child, dependent, other family members and any controlled company).
2	N/A
3	A person who participated in the issue or any Associates of those persons.
4	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 in the capacity of a Shareholder if the resolution is passed, and any Associates of those persons.
5	Any Director who is eligible to participate in the Company's Incentive Plan and Associates of those persons.

However, the Company need not disregard a vote on Resolutions 1, 3, 4 or 5 if it is cast by:

- the person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- the Chairperson of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

In relation to Resolution 1, members of Key Management Personnel and their Closely Related Parties (other than the Chairperson of the Meeting) may not vote as proxy if the appointment does not specify how the proxy is to vote. The Chairperson of the Meeting may vote as proxy in accordance with an express authorisation on the Proxy Form.

By order of the Board

Melanie Ross
Company Secretary
1 October 2018

Proxy appointment, voting and Meeting instructions

Lodgement of a Proxy Form

The Proxy Form (and any power of attorney or other authority, if any, under which it is signed) must be received at an address given below by **12:30pm WST on Saturday, 3 November 2018**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid.

Proxy Forms may be lodged as follows:

By hand: First Floor, 768 Canning Highway, Applecross, Western Australia 6153
By post: PO Box 1565, Applecross, Western Australia 6153
By email: melanie.ross@greatboulder.com.au
By fax: +61 8 9315 9004

Appointment of a proxy

A Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy. The proxy may, but need not be, a Shareholder.

If you wish to appoint the Chairperson as your proxy, mark the appropriate box on the Proxy Form. If the person you wish to appoint as your proxy is someone other than the Chairperson please write the name of that person. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairperson will be your proxy.

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company on +61 8 6323 7800 or you may photocopy the Proxy Form.

To appoint a second proxy you must on each Proxy Form state (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If both Proxy Forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

Corporate Shareholders

Corporate Shareholders should comply with the execution requirements set out on the proxy form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

- two directors of the company;
- a director and a company secretary of the company; or
- for a proprietary company that has a sole director who is also the sole company secretary – that director.

Votes on Resolutions

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

Chairperson voting undirected proxies

The Chairperson will vote undirected proxies **in favour** of all of the proposed Resolutions.

Voting entitlement (snapshot date)

For the purposes of determining voting and attendance entitlements at the Meeting, Shares will be taken to be held by the persons who are registered as holding the Shares at **5.00pm WST on Saturday**,

3 November 2018. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Corporate representatives

A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act, in which case the Company will require a certificate of appointment of the corporate representative executed in accordance with the Corporations Act. The certificate of appointment must be lodged with the Company and/or the Company's share registry before the Meeting or at the registration desk on the day of the Meeting.

Questions from Shareholders

At the Meeting, the Chairperson will allow a reasonable opportunity for Shareholders to ask questions or make comments on the management of the Company.

Mr Alasdair Whyte of RSM Australia Partners, as the auditor responsible for preparing the Auditor's report for the year ended 30 June 2018 (or his representative) will attend the Meeting. The Chairperson will also allow a reasonable opportunity for Shareholders to ask the Auditor questions about:

- the conduct of the audit;
- the preparation and content of the Auditor's report;
- the accounting policies adopted by the Company in relation to the preparation of Financial Statements; and
- the independence of the Auditor in relation to the conduct of the audit.

To assist the Board and the Auditor in responding to questions, please submit any questions you may have in writing by **5.00pm WST on Monday, 29 October 2018:**

By hand: First Floor, 768 Canning Highway, Applecross, Western Australia 6153

By post: PO Box 1565, Applecross, Western Australia 6153

By email: melanie.ross@greatboulder.com.au

By fax: +61 8 9315 9004

Explanatory Statement

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Annual General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice of Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Annual General Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary.

1. Annual Financial Report

The Corporations Act requires the Annual Financial Report, incorporating the Company's financial statements, the Directors' report and the Auditors' report of the Company for the financial year ended 30 June 2018 to be tabled and considered at the Meeting.

Neither the Corporations Act nor the Company's Constitution requires a vote of Shareholders on the Annual Financial Report. However, Shareholders will be given reasonable opportunity to raise questions on the report and also to ask questions of the Auditor (see the 'proxy appointment and voting information' Section above).

2. Resolution 1: Adoption of Remuneration Report

The Remuneration Report of the Company for the financial year ended 30 June 2018 is set out in the Company's 2018 Annual Financial Report which is available at www.greatboulder.com.au. The Remuneration Report sets out the remuneration arrangements for Directors and Key Management Personnel of the Company. The Chairperson will allow a reasonable opportunity for Shareholders to ask questions about, or make comments on, the Remuneration Report.

Shareholders will be asked to vote for the adoption of the Remuneration Report at the Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company. The Board will consider the outcome of the vote and comments made by Shareholders at the Meeting when reviewing the Company's remuneration policies.

If 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution (a "spill resolution") to determine whether another meeting be held within 90 days at which all of the Directors (other than the managing director) must go up for re-election.

As the Meeting is the Company's inaugural annual general meeting, Shareholders will not need to consider a spill resolution at this Meeting.

The Company encourages all Shareholders to cast their votes on Resolution 1 (Adoption of Remuneration Report).

2.1 Voting exclusions

The Company will disregard any votes cast on this Resolution by or on behalf of members of Key Management Personnel whose remuneration details are included in the Remuneration Report and any Closely Related Parties of those persons.

If you appoint the Chairman as your proxy and have not directed him how to vote with respect to Resolution 1, you are expressly authorising the Chairman to cast your undirected proxy on that Resolution in accordance with his stated intentions. The Chairman intends to vote all undirected proxies in favour of Resolution 1.

If you appoint any other member of the Board, a member of senior management who is named in the Remuneration Report, or their Closely Related Parties as your proxy, they will not be able to vote your proxy on Resolution 1 unless you have directed them how to vote.

3. Resolution 2: Re-election of Mr Greg Hall as a Director

3.1 Background

Resolution 1 seeks approval for the re-election of Mr Greg Hall as a Director.

Clause 11.3 of the Company's Constitution requires that one third of the Directors in office (other than a Managing Director) retire by rotation at each annual general meeting of the Company. Clause 11.4 provides that the retiring Directors are then eligible for re-election.

Mr Hall, who was appointed as Non-Executive Chairman on the incorporation of the Company (6 April 2016), retires in accordance with clause 11.3, and being eligible, offers himself for re-election as a Director.

3.2 Biography

Greg Hall is a Director of Golden Phoenix International Pty Ltd a geological consulting company. Greg was Chief Geologist for the Placer Dome Group from 2000 to 2006. He managed Placer Dome's exploration activity in China from 1993 to 2001. Before joining Placer Dome in 1988, he managed exploration in Western Australia for CSR Limited. He made significant contributions to the discovery of Rio Tinto's Yandi iron ore mine in the Pilbara region of Western Australia and to Barrick's Granny Smith gold mine in WA including Keringal and Sunrise satellite gold mines. He was educated at the University of New South Wales and graduated with Bachelor of Applied Science (First Class Honors) in 1973.

3.3 Directors' recommendation

Mr Hall has a material personal interest in the outcome of Resolution 2 and accordingly declines to make a recommendation in respect of this Resolution.

The Directors (other than Mr Hall) recommend that Shareholders vote in favour of Resolution 2 to re-elect Mr Hall as Non-Executive Chairman.

4. Resolution 3: Ratification of Prior Issue of Shares

4.1 Background

On 22 May 2018 the Company announced that it was undertaking a capital raising of \$2.5 million via the issue of 9.26 million shares at a price of \$0.27 each to continue its drilling program at its Mt Venn project.

On 28 May 2018 the capital raising was completed with the issue of 9,259,260 Shares with an issue price of \$0.27 each.

4.2 Regulatory requirements

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

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

By ratifying the issue the subject of Resolution 3, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

4.3 Listing Rules information requirements

The following further information is provided in accordance with the requirements of the Listing Rules in relation to the ratification:

- (a) 9,259,260 Shares were issued under Listing Rule 7.1;
- (b) the issue price was \$0.27 per share;
- (c) the Shares issued were fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to institutional and professional investors, the majority who were clients of Bells Potter Securities Limited. None of these subscribers are Related Parties of the Company; and
- (e) the funds raised from this issue are being used to continue the Company's drilling program at its Mt Venn Project.

4.4 Directors' recommendation

The Directors recommend that Shareholders vote in favour of Resolution 3.

5. Resolution 4 – Approval of Additional Placement Facility

5.1 Background

Resolution 4 seeks Shareholder approval for an additional issuing capacity under Listing Rule 7.1A (**Additional Placement Facility**).

If approved, Resolution 4 would enable the Company to issue additional Equity Securities (calculated below) over a 12 month period without obtaining Shareholder approval.

Resolution 4 is a special resolution. It must be passed by at least 75% of the votes cast by Shareholders entitled to vote on the Resolution.

5.2 Applicable Listing Rules

Listing Rule 7.1A permits eligible entities that have obtained the approval of shareholders by special resolution at an annual general meeting, to have an addition capacity to issue additional Equity Securities issue equal to approximately 10% of its issued capital, over a 12 month period.

The Company is an eligible entity (being an entity with market capitalisation of \$300 million or less and which is not included in the S&P/ASX 300 index) and seeks Shareholder approval under this Resolution for the Additional Placement Facility.

5.3 Information on Additional Placement Facility

- (a) Quoted securities

Any Equity Securities issued under the Additional Placement Facility must be in the same class as an existing class of Equity Securities of the Company that are quoted on ASX.

As at the date of this Notice, the Company has one class of Equity Securities quoted on ASX, being Ordinary Shares.

(b) Number of Equity Securities that may be issued

Listing Rule 7.1 permits the Company to issue Equity Securities equal to approximately 15% of the Company's issued capital over a 12 month period without shareholder approval.

The Additional Placement Facility under Listing Rule 7.1A is in addition to the Company's 15% placement capacity under Listing Rule 7.1. The effect of Shareholders passing Resolution 4 is to allow the Company to issue Equity Securities equal to approximately 25% of its issued capital during the next 12 months without first obtaining specific Shareholder approval.

The exact number of additional Equity Securities that the Company may issue under the Additional Placement Facility is not fixed but is calculated under a formula prescribed by the Listing Rules (set out below).

At the date of this Notice the Company has 80,110,117 Ordinary Shares on issue. If Resolution 4 is passed, the Company will be permitted to issue (as at the date of this Notice) approximately:

- (i) 12,016,517 Equity Securities under the Listing Rule 7.1 15% placement capacity; and
- (ii) 8,011,011 Equity Securities under the Additional Placement Capacity.

(c) Formula for Additional Placement Facility

If this Resolution 4 is passed, the Company may issue or agree to issue, during the 12 month period after this Meeting, the number of Equity Securities calculated in accordance with the following formula.

$$\text{Additional Placement Capacity} = (A \times D) - E$$

where:

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

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

D = 10%

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

5.4 Listing Rule requirements

Pursuant to and in accordance with Listing Rule 7.3A, the following information is provided in relation to the proposed approval of the Additional Placement Facility:

(a) Minimum price at which Equity Securities may be issued

The issue price of any Equity Security under the Additional Placement Facility will not be less than 75% of the VWAP for 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 securities are to be issued is agreed; or
- (ii) if the securities are not issued within 5 trading days of the date above, the date on which the securities are issued.

(b) Risk of economic and voting dilution

If Resolution 4 is passed and the Company issues securities under the Additional Placement Facility, then there is a risk to existing Shareholders of economic and voting dilution, including the risk that:

- (i) the market price for Equity Securities in the same class may be significantly lower on the issue date of the new Equity Securities than on the date of this Meeting; and
- (ii) the new Equity Securities may be issued at a price that is at a discount to the market price for Equity Securities in the same class on the issue date or the new Equity Securities may be issued in consideration for the acquisition of a new asset.

The table below identifies the potential dilution to existing Shareholders following the issue of Equity Securities under the Additional Placement Facility (based on the formula set out above) using different variables for the number of issued Ordinary Shares and the market price of Ordinary Shares.

The numbers are calculated on the basis of the latest available market price of Ordinary Shares before the date of this Notice and the current number of Ordinary Shares on issue.

Variable A in Listing Rule 7.1A		Nominal issue price		
		\$0.27 (market price)	\$0.2025 (25% decrease in market price)	\$0.1350 (50% decrease in market price)
Current issued capital A = 80,110,117 Ordinary Shares	Ordinary Shares issued under LR 7.1A	8,011,011	8,011,011	8,011,011
	Voting dilution	10%	10%	10%
	Funds raised	\$2,162,973	\$1,6220,230	\$1,081,487
	Economic dilution	0%	2.27%	4.55%

50% increase in issued capital A = 120,165,175 Ordinary Shares	Ordinary Shares issued under LR 7.1A	12,016,517	12,016,517	12,016,517
	Voting dilution	10%	10%	10%
	Funds raised	\$3,244,460	\$2,433,345	\$1,622,230
	Economic dilution	0%	2.27%	4.55%
100% increase in issued capital A = 160,220,234 Ordinary Shares	Ordinary Shares issued under LR 7.1A	16,022,023	16,022,023	16,022,023
	Voting dilution	10%	10%	10%
	Funds raised	\$4,325,946	\$3,244,460	\$2,162,973
	Economic dilution	0%	2.27%	4.55%

Notes:

This table has been prepared on the following assumptions:

1. the latest available market price of Ordinary Shares, being the closing price as at 14 September 2018, was \$0.27;
2. the Company issues the maximum number of equity securities available under the Additional Placement Facility;
3. existing Shareholders' holdings do not change from the date of this Meeting to the date of the issue under the Additional Placement Facility;
4. the Company issues Ordinary Shares only and does not issue other types of equity securities (such as Options) under the Additional Placement Facility;
5. the impact of placements under Listing Rule 7.1 or following the exercise of options is not included in the calculations; and
6. Economic dilution (ED) is calculated using the following formula:

$$ED = (MP - (NMC / TS)) / MP$$

where:

MP = the market price of shares traded on ASX, expressed in dollars;

MC = market capitalisation prior to issue of Equity Securities, being the MP multiplied by the number of shares on issue;

NMC = notional market capitalisation, being the market capitalisation plus the NSV;

NSV = new security value, being the number of new Equity Securities multiplied by the issue price of those Equity Securities; and

TS = total shares on issue following new Equity Security issue.

(c) **Date by which Equity Securities may be issued**

Equity Securities may be issued under the Additional Placement Facility for 12 months after the Meeting.

However, the approval to the Additional Placement Facility under Resolution 4 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) Purpose for which Equity Securities may be issued

The Company may seek to issue Equity Securities under the Additional Placement Facility for the following purposes:

- (i) cash consideration to fund business growth, to acquire new assets or make investments, to develop the Company's existing assets and operations and for general working capital; and
- (ii) non-cash consideration to acquire new assets or make investments. In these circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

(e) Allocation policy

The Company's allocation policy for the issue of Equity Securities under the Additional Placement Facility will depend on the prevailing market conditions at the time of the proposed issue. The allottees will be determined on a case-by-case basis having regard to the factors such as:

- (i) 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;
- (ii) the effect of the issue of the new securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate and other advisors.

As at the date of this Notice, the Company has not identified any proposed allottees of Equity Securities using the Additional Placement Facility. However, the eventual allottees may include existing substantial Shareholders, other Shareholders and/or new investors.

None of the allottees will be a related party or an associate of a related party of the Company, except as permitted under Listing Rule 7.2. Existing Shareholders may or may not be entitled to subscribe for Equity Securities under the Additional Placement Facility and it is possible that their shareholding will be diluted.

If the Additional Placement Facility is used to acquire new assets or investments, then it is likely that the allottees will be the vendors of these assets/investments.

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

(f) Previous approval under Listing Rule 7.1A

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 24 October 2017 (**Previous Approval**).

The Company did not issue any Equity Securities pursuant to the Previous Approval.

During the 12 month period preceding the date of the Meeting, being on and from 24 October 2017, the Company otherwise issued a total of 11,466,117 Shares which represents approximately 16.8% of the total number of Equity Securities on issue in the Company on 24 October 2017, which was 68,394,000.

Further details of the issued of Equity Securities by the Company during the 12 months preceding the date of the Meeting are set out in Schedule 1.

5.5 **Directors' recommendation**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4 as it will give the Company the flexibility to raise and fund necessary working capital whilst preserving the Company's cash reserves.

6. **Resolution 5: Approval to grant Performance Rights to the Company's Managing Director, Mr Stefan Murphy**

6.1 **Background**

The Company has agreed to grant to the Company's Managing Director, Mr Stefan Murphy, 500,000 Performance Rights.

The issue of the Performance Rights to Mr Murphy is subject to the Company obtaining Shareholder approval for their issue.

Resolution 5 seeks Shareholder approval for the purposes of Listing Rule 10.14 for the issue of 500,000 Performance Rights to Mr Stefan Murphy under the Incentive Plan, on the terms disclosed in Section 6.3 below.

The proposed grant of Performance Rights is intended to:

- (a) provide an appropriate and adequate incentive for Mr Murphy;
- (b) ensure the Company retains the services of Mr Murphy; and
- (c) reinforce the commitment of Mr Murphy as the Company's Managing Director.

6.2 **Regulatory requirements**

Listing Rule 10.14 generally provides that the approval of shareholders is required before a director of a company can acquire securities issued under an employee incentive scheme. Accordingly, in order for Mr Murphy to acquire a beneficial interest in the Performance Rights and any Shares which may be issued on the vesting of Performance Rights, the Company must first obtain Shareholder approval pursuant to Listing Rule 10.14.

Listing Rule 10.15 sets out a number of matters which must be included in a notice of meeting requesting shareholder approval under Listing Rule 10.14. In accordance with Listing Rule 10.15, the information in Sections 6.3 and 6.4 below is provided to Shareholders in relation to Resolution 5.

The grant of the Performance Rights will confer a financial benefit on Mr Murphy. However, Shareholder approval is not being sought for the purposes of the related party benefit provisions of the Corporations Act (particularly section 208 of the Corporations Act) on the basis that the benefit is considered to constitute reasonable remuneration and, therefore, the exception in section 211 of the Corporations Act applies. Section 211 provides that shareholder approval is not required for the purposes of section 208 in circumstances where the benefit constitutes remuneration which would be reasonable given the company's and the related party's circumstances.

Having considered the Company's circumstances and Mr Murphy's position with the Company, the Board other than Mr Murphy considers that the financial benefit conferred by the grant of the Performance Rights to Mr Murphy is reasonable and therefore, the exception in section 211 applies.

6.3 **Terms of Performance Rights**

The terms of the Performance Rights proposed to be granted to Mr Murphy, including the conditions on which the Performance Rights may vest, are set out in Schedule 2. Apart from

the terms set out in Schedule 2, the Performance Rights will otherwise be subject to the rules of the Incentive Plan.

In summary, the key terms of the Performance Rights proposed to be granted to Mr Murphy are as follows:

Class	Number	Performance Hurdle
Class C	500,000	Within 12 months from issue date of the Performance Rights the volume weighted average price (VWAP) of Shares traded on ASX over any consecutive 1 month period is \$0.30 or more.

The unvested Performance Rights of Mr Murphy will automatically lapse and be forfeited if that Mr Murphy voluntarily resigns otherwise than to take up employment with a Related Body Corporate of the Company or if he is dismissed from employment for a material breach of his contract of employment, gross negligence or other conduct justifying termination without notice. Performance Rights will not lapse if Mr Murphy ceases employment due to death, permanent disablement, retirement, redundancy or any other circumstance in which the Board determines the Performance Rights should not lapse.

Each Performance Right entitles Mr Murphy to receive, upon vesting, one Share. The Performance Rights are unquoted and non-transferable. The Performance Rights will not entitle Mr Murphy to receive dividends on Shares before vesting and do not carry any voting rights.

6.4 Listing Rules information requirements

The following further information is provided in accordance with the requirements of the Listing Rules:

- (a) The Performance Rights will be issued to Mr Stefan Murphy or his nominee.
- (b) The maximum number of securities that may be acquired by Mr Stefan Murphy is 500,000 Performance Rights which may then convert into 500,000 Shares if the performance hurdle is satisfied and the Performance Rights vest.
- (c) The Performance Rights will be granted for nil cash consideration.
- (d) To date, the securities issued by the Company under the Incentive Plan comprise 1 million Options, which were issued to Mr Stefan Murphy pursuant to the terms of the Executive Service Agreement, in consideration for services to be provided to the Company by Mr Murphy as Managing Director, and for nil cash consideration. Those Options were issued on 25 August 2016, being prior to the admission of the Company to the official list of ASX.. The Company has also issued 2 million Performance Rights to Mr Stefan Murphy pursuant to the terms of the Executive Service Agreement, in consideration for services to be provided to the Company by Mr Murphy as Managing Director, and for nil cash consideration. Those Performance Rights were issued on 20 February 2018, after shareholder approval was obtained at the Company's Annual General Meeting held on 24 October 2017.
- (e) The persons entitled to participate in the Incentive Plan are the following persons in relation to the Company and its Related Bodies Corporate: Directors, employees, Contractors, and casual employees where they are, or might reasonably be expected to be engaged to work the pro-rata equivalent of 40% or more of a full time position.
- (f) No loan is proposed to be granted to Mr Stefan Murphy for the grant of the Performance Rights.
- (g) The Performance Rights will be granted as soon as practicable after the Meeting and in any event within 12 months of the Meeting.

6.5 Interests of Mr Stefan Murphy

Mr Murphy has a material personal interest in the outcome of Resolution 5. In addition to the Performance Rights to be issued to Mr Murphy pursuant to Resolution 5, Mr Murphy has been engaged under the Executive Services Agreement to provide services to the Company as Managing Director.

Under the terms of his employment agreement, Mr Murphy is presently entitled to an annual salary of \$225,000 (plus statutory superannuation). Mr Murphy is also entitled to performance-based bonuses.

Set out below is a breakdown of Mr Murphy's total remuneration for the financial year ended 30 June 2018:

Salary	Share-based payments (Performance Rights)	Superannuation	Total
\$225,000	\$47,948	\$21,375	\$294,323

Mr Murphy currently holds 314,286 Shares, 1,057,143 Options, 1,250,000 Class A Performance Rights and 750,000 Class B Performance Rights. If all of the Class C Performance Rights granted to Mr Murphy pursuant to Resolution 5 are subsequently converted to Shares, and all of Mr Murphy's Options are exercised and Class A and B Performance Rights were subsequently converted to Shares, Mr Murphy will have a direct interest in 3,871,429 Shares. Assuming that no other Shares are issued, Options are exercised or Performance Rights vest, Mr Murphy could acquire a relevant interest in approximately 4.83% of the Share capital on issue in the Company.

6.6 Directors' recommendation

The Directors (other than Mr Murphy) recommend that Shareholders vote in favour of Resolution 5.

6.7 Proxy voting restrictions

The Company will disregard any votes cast on this Resolution by or on behalf of members of Key Management Personnel whose remuneration details are included in the Remuneration Report and any Closely Related Parties of those persons.

If you appoint the Chairman as your proxy and have not directed him how to vote with respect to Resolution 5, you are expressly authorising the Chairman to cast your undirected proxy on that Resolution in accordance with his stated intentions. The Chairman intends to vote all undirected proxies in favour of Resolution 5.

If you appoint any other member of the Board, a member of senior management who is named in the Remuneration Report, or their Closely Related Parties as your proxy, they will not be able to vote your proxy on Resolution 5 unless you have directed them how to vote.

Glossary

In this Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

Additional Placement Capacity	Has the meaning given to that term on Section 5.1 of this Explanatory Statement.
Annual General Meeting or Meeting	The annual general meeting of the Company, or any adjourned meeting thereof, convened by the Notice.
Annual Report	The annual report of the Company for the financial year ended 30 June 2018, including the annual financial report, the Directors' report and the Auditor's report.
Associate	Has the meaning given to that term in the Corporations Act.
ASX	ASX Limited (ACN 008 624 691) or the financial market known as the Australian Securities Exchange, as the context requires.
Auditor	The auditor of the Company.
Board	The Company's Board of Directors.
Chairperson	The chairperson of the Meeting.
Closely Related Parties	Has same meaning given to it in section 9 of the Corporations Act, being, in relation to a member of Key Management Personnel: <ul style="list-style-type: none">(a) a spouse or child of the member;(b) a child of the member's spouse;(c) a dependent of the member or the member's spouse;(d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;(e) a company the member controls; or(f) a person prescribed by the <i>Corporations Regulations 2001</i> (Cth) (currently none are prescribed).
Company	Great Boulder Resources Limited (ACN 611 695 955).
Company Secretary	The Company Secretary of the Company at the time of the Meeting, being Ms Melanie Ross.
Constitution	The Constitution of the Company.
Contractor	A consultant or contractor that has entered into a contract which requires or might reasonably be expected to require the consultant or contractor to provide the pro-rata equivalent of 40% or more of a comparable full-time position with the Company or a Related Body Corporate of the Company, either directly in their individual capacity, or through a company where the individual who performs the work under or in relation to the contract is a director of the company or the spouse of a director or the company.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Director	A director of the Company.

Equity Security	Has the meaning given to that term in ASX Listing Rule 19.12, being: (a) a share; (b) a unit; (c) a right to a share or unit or option; (d) an option over an issued or unissued security; (e) a convertible security; (f) any security that ASX decides to classify as an equity security; (g) but not a security that ASX decides to classify as a debt security.
Explanatory Statement	This explanatory statement which accompanies and forms part of the Notice.
Glossary	This glossary of terms.
Incentive Plan	The incentive plan for employees adopted by the Company.
Incentive Plan Rules	The rules of the Incentive Plan.
Key Management Personnel	Has the same meaning as the definition of that term in section 9 of the Corporations Act, being those persons details of whose remuneration are included in the Remuneration Report having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).
Listing Rules	The listing rules of ASX.
Notice or Notice of Meeting	The notice of annual general meeting which accompanies this Explanatory Statement.
Option	An option to acquire a Share.
Performance Right	A right to acquire a Share.
Proxy Form	The proxy form accompanying the Notice.
Related Body Corporate	Has the meaning given to that term in the Corporations Act.
Remuneration Report	The remuneration report contained in the Directors' report for the year ended 30 June 2018.
Resolution	A resolution set out in the Notice.
Related Party	Has the meaning given to that term in the Listing Rules.
Section	A section of the Explanatory Statement.
Share	A fully paid ordinary share in the Company.
Shareholder	A holder of a Share.
WST	Australian Western Standard Time, being the time in Perth, Western Australia.

Schedule 1 – Issues of Equity Securities since 24 October 2017

Below is a list of all the Equity Securities issued by the Company in the past 12 months:

Date	Quantity and Class of Equity Security Issued	Recipients	Issue Price and discount to market if applicable ¹	Form of Consideration
21/11/17	1,974,857 fully paid ordinary shares on the exercise of Options	Optionholders	\$0.20 exercise price	Amount Raised: \$394,971 Amount Spent: \$394,971 Use of funds: Project expenditure Amount remaining: Nil
30/11/17	107,000 fully paid ordinary shares on the exercise of Options	Optionholders	\$0.20 exercise price	Amount Raised: \$21,400 Amount Spent: \$21,400 Use of funds: Project expenditure Amount remaining: Nil
17/1/18	125,000 fully paid ordinary shares on the exercise of Options	Optionholders	\$0.20 exercise price	Amount Raised: \$25,000 Amount Spent: \$25,000 Use of funds: Project expenditure Amount remaining: Nil
28/5/18	9,259,260 fully paid ordinary shares on the exercise of Options	Institutional and professional investors	\$0.27, 8.5% discount	Amount Raised: \$2,500,000 Amount Spent: \$286,874 Use of funds: Project expenditure Amount remaining: \$2,213,126

Notes:

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

Schedule 2– Terms of Performance Rights

The Performance Rights to be granted by the Company to Mr Stefan Murphy will be granted pursuant to the Incentive Plan Rules on the following terms:

(a) Grant

- (i) The performance rights (**Performance Rights**) are proposed to be issued pursuant to the Incentive Plan Rules on and subject to these terms and conditions (**Terms**).
- (ii) To the extent of any inconsistency between these Terms and the Incentive Plan Rules, these Terms will prevail.
- (iii) The grant of any Performance Rights is subject to the approval of that grant by shareholders of the Company (**Shareholders**) at a general meeting.

(b) Classes of Performance Rights

The following classes of Performance Rights will be granted by the Company on and subject to these Terms:

- (i) Class C Performance Rights

(c) Entitlement

- (i) Subject to this paragraph (c) and any applicable requirements of the Listing Rules, each vested Performance Right entitles the holder of that Performance Right (**Holder**) to be issued with one Share (**Entitlement**) as follows:

Class	Performance Hurdle	Entitlement
Class C Performance Right	Within 12 months from issue date of the Performance Rights the volume weighted average price (VWAP) of Shares traded on ASX over any consecutive 1 month period is \$0.30 or more.	500,000 Shares

- (ii) The Company's obligations to the Holder in relation to a Performance Right are discharged and satisfied in full upon issuing the Entitlement for that class of Performance Rights.

(d) Vesting

- (i) Subject to paragraph (n), a Performance Right automatically vests in the Holder upon satisfaction of the following conditions precedent (each a **Vesting Condition**) following which the Holder may elect to receive the Holder's Entitlement:
 - A. the Performance Hurdle for that class of Performance Rights being achieved or otherwise satisfied; and
 - B. if that Performance Rights (or the Shares to be issued on vesting of the same) is classified by ASX as a "restricted security" subject to ASX imposed escrow restrictions, the expiry of those escrow restrictions.
- (ii) If a Performance Hurdle for a class of Performance Rights is not achieved, that class of Performance Rights will not vest, subject to these Terms and the Incentive Plan Rules.

- (iii) The Company's determination as to whether a Performance Hurdle has been achieved is final.
 - (iv) Satisfaction of the Vesting Conditions is to be determined in relation to each class of Performance Rights, subject to these Terms and the Incentive Plan Rules.
 - (v) The Performance Rights may also vest in the circumstances set out in the Incentive Plan Rules.
 - (vi) If the Vesting Conditions for a class of Performance Rights are satisfied during the period of a Holder's employment with or directorship of the Company or a company within the Group, that class of Performance Rights will vest and will not be subject to forfeiture.
- (e) Expiry and forfeiture
- (i) Each Performance Right that has not vested will automatically:
 - A. lapse and terminate at midnight on the last day by which the Performance Hurdle for that class of Performance Rights must be achieved; and
 - B. lapse and be forfeited if the Holder:
 - C. voluntarily resigns from employment with or directorship of the Company or a company within the Group; or
 - D. is dismissed from employment with or directorship of the Company or a company within the Group for a material breach of the Holder's contract of employment, wilful misconduct or other conduct justifying termination without notice.
 - (ii) A Performance Right will not lapse and be forfeited if the Holder ceases employment with the Company or a company within the Group due to death, permanent disablement, or any other circumstance in which the Board determines the Performance Right should not lapse and be forfeited.
- (f) Transfer and encumbrances
- (i) A Performance Right is not transferrable.
 - (ii) A Holder must not grant or permit any security interest or other encumbrances over a Performance Right.
- (g) Quotation of Performance Rights
- The Company will not apply for quotation of any class of Performance Right.
- (h) Quotation of Shares
- If the Entitlement is issued for a class of Performance Rights and the Company is admitted to ASX, the Company will apply to ASX for official quotation of those Shares.
- (i) New issues
- A Holder is not entitled to participate in any new issue to Shareholders of securities in the Company unless the Holder's Performance Rights (or any of them) have vested and the Entitlement has been issued before the record date for determining entitlements to the new issue of securities and participate as a result of holding Shares.

(j) Participation in entitlements and bonus issues

A Performance Right does not entitle a Holder (in their capacity as a holder of a Performance Right) to participate in new issues of capital offered to Shareholders, such as a bonus issue or an entitlement issue.

(k) Reorganisation

(i) If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the Holder in relation to each class of Performance Rights held by the Holder will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

(ii) Any calculations or adjustments which are required to be made in relation to paragraph (k)(i) will be made by the Company's Board of Directors and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Holder.

(iii) The Company must, within a reasonable period of a reorganisation paragraph (k)(i) occurring, give to the Holder notice of any change to the number of Shares which the Holder is entitled to receive under the Entitlement for a class of Performance Rights.

(l) Issue of Entitlement

(i) If the Company elects to provide the Entitlement for a class of Performance Rights, within 10 days after issuing the Election Notice, the Company must issue to the Holder the Entitlement for that class.

(ii) Subject to the Company's Constitution, all Shares issued in relation to the Entitlement for a class of Performance Rights will rank in all respects (including rights relating to dividends) equally with the existing ordinary shares of the Company at the date of issue.

(iii) Any Shares that are acquired on the vesting of Performance Rights in accordance with a Rights Offer will be issued or transferred to the Rights Holder free of any holding lock or other restriction on dealing, subject to any restriction on trading by reason of the provisions of the Corporations Act applicable to secondary trading in securities.

(m) Vesting on change of control

In the event that either:

(i) a takeover bid under Chapter 6 of the Corporations Act is made in respect of the Company under which acceptances have been received for more than 50% of the Company's shares on issue and the bid is declared unconditional by the bidder; or

(ii) a Court grants orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies (including under Part 5.1 of the Corporations Act),

prior to the Performance Hurdles being achieved for one or more classes of Performance Rights (**Unvested Rights**) being achieved, then:

(iii) subject to paragraph (m)(v) all of the Unvested Rights on issue will vest Shares equal in number to 10% of the Shares on issue at the date of vesting under this paragraph (m);

- (iv) the vesting and vesting will be completed on a pro rata basis for each Holder; and
- (v) if the Company has other classes of performance rights on issue (**Other Performance Rights**) with rights of vesting and vesting of the same or substantially similar nature to paragraph (m)(iii) (**Trigger Events**):
 - A. the total number of Shares that may be issued under paragraph (m)(iii), when aggregated with all Shares issued on vesting of Other Performance Rights due to a Trigger Event, must not exceed 10% of the Shares on issue as at the date of vesting; and
 - B. the number of Shares that will be issued under paragraph (m)(iii) will be calculated as follows:

$$\text{Number of Shares} = (A / B) \times 100 \times C$$

where:

- A** = the number of Unvested Rights on issue as at the date of vesting;
- B** = the total number of Unvested Rights and Other Performance Rights on issue as at the date of vesting; and
- C** = the number representing 10% of the Shares on issue as at the date of vesting.

(n) Deferral of vesting

If the vesting of any class of Performance Rights (or any part thereof) would result in any person being in contravention of section 606(1) of the Corporations Act (**Takeover Restriction**) then:

- (i) The vesting of those Performance Rights (or any part thereof) will be deferred until such later time or times that the vesting would not result in a contravention of the Takeover Restriction.
- (ii) A Holder may give written notification to the Company if they consider that the vesting of those Performance Rights (or any part thereof) may result in the contravention of the Takeover Restriction, failing which the Company may assume the vesting of those Performance Rights will not result in any person being in contravention of the Takeover Restriction.
- (iii) The Company may (but is not obliged to) by written notice to a Holder, request a Holder to provide the written notice referred to in paragraph (n)(ii) within 7 days if the Company considers that the vesting of those Performance Rights (or any part thereof) may result in a contravention of the Takeover Restriction. If the Holder does not give notification to the Company within 7 days that they consider the vesting of the Performance Rights (or part thereof) may result in the contravention of the Takeover Restriction, then the Company may assume that the vesting of the Class A Performance Rights (or part thereof) will not result in any person being in contravention of the Takeover Restriction.

(o) Amendments required by ASX

These Terms may be amended as necessary by the Company's Board of Directors in order to comply with the Listing Rules (if applicable), or any directions of ASX (if applicable) regarding the Terms, provided that, subject to compliance with the Listing Rules, the economic and other rights of the Holder are not diminished or terminated following such amendment.

(p) Governing law

These Terms and the rights and obligations of the Holder are governed by the laws of Western Australia. The Holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia in this respect.

**GREAT BOULDER RESOURCES LIMITED
ACN 611 695 955
PROXY FORM**

I/We (name of Shareholder)
of (address)
being a Shareholder/Shareholders of Great Boulder Resources Limited ACN 611 695 955 (**Company**) HEREBY APPOINT:
(name).....
of (address)
and/or failing him/her (name)
of (address)
or, failing the person named, or if a person is not named, the chairperson of the meeting (**Chairperson**) as my/our proxy to act on my/our behalf at the Annual General Meeting of the Company to be held at **12:30pm WST on Monday, 5 November 2018** at First Floor, 768 Canning Highway, Applecross, Western Australia (**Meeting**) and at any adjournment or postponement of the Meeting.

NOTE: The Company encourages you to you to direct your proxy to vote for or against the Resolutions or to abstain from voting on each of the Resolutions.
If the Chairperson is appointed your proxy, the Chairperson intends to vote all undirected proxies FOR each Resolution.
INSTRUCTIONS: Except where I/we have marked a voting box for a Resolution below, I/we authorise my/our proxy to vote or abstain from voting on any Resolution in their discretion.

Should you wish to direct your proxy how to vote, please mark FOR, AGAINST or ABSTAIN in the voting boxes below.

I/We direct my/our proxy to vote in the following manner:

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Greg Hall as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of Prior Issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of Additional Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval to grant Performance Rights to the Company's Managing Director, Mr Stefan Murphy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

This Proxy is appointed to represent _____% of my voting right, or if two proxies are appointed Proxy 1 represents _____% and Proxy 2 represents _____% of my/our total votes.
My/our total voting right is _____ shares.

By:

Individuals and joint holders

Companies (affix common seal if appropriate)

Signature
Signature
Signature

Director
Director/Company Secretary
Sole Director

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