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27 April 2018

The Manager  
Company Announcements Platform  
Australian Securities Exchange

Dear Sir,

**Notice of Annual General Meeting**

Please find attached for release to the market a letter from Terramin Australia Limited Chairman, Mr Feng Sheng, enclosing the 2018 Notice of Annual General Meeting and Form of Proxy.

Notices of Annual General Meeting and Forms of Proxy have been sent to all shareholders today. An electronic copy of the Chairman's letter, Notice of Annual General Meeting and Form of Proxy are available on the Company's website at [www.terramin.com.au](http://www.terramin.com.au).

The 2017 Annual Report was also sent by post to those shareholders who elected to receive a hard copy. An electronic copy of the 2017 Annual Report continues to be available on the Company's website at <https://www.terramin.com.au/wp-content/uploads/2018/03/2017-Annual-Report-Final.pdf>.

Yours sincerely,

Stéphane Gauducheau  
*Company Secretary*



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27 April 2018

## **Notice of 2018 Annual General Meeting**

Dear Shareholder,

On behalf of the Board of Directors I am pleased to invite you to attend the Terramin Annual General Meeting of shareholders (**AGM**) on Wednesday 30 May 2018. The meeting will be held at Level 7 342-348 Flinders Street Melbourne VIC 3000 commencing at 11:00 am (Melbourne time).

The Notice of Meeting including explanatory notes and Proxy Form is enclosed. I encourage you to read the explanatory notes to have a full understanding of the resolutions being put.

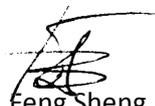
The 2017 Annual report provides you with a detailed overview of the company's business activity during the year. The annual report may be viewed at our website [www.terramin.com.au](http://www.terramin.com.au). If you requested a printed copy of the annual report, it will be mailed to you separately.

If you are able to attend the AGM, please bring the enclosed proxy form with you to facilitate registration at the AGM.

If you do not plan on attending the AGM, you are encouraged to appoint a proxy to attend and vote on your behalf by using the enclosed proxy form or by appointing your proxy online at [www.investorvote.com.au](http://www.investorvote.com.au). Proxies must be received no later than 11:00 am (Melbourne time) on Monday, 28 May 2018 to be valid for the AGM.

We look forward to seeing you at the AGM.

Yours sincerely,



Feng Sheng  
Chairman



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## **NOTICE OF 2018 ANNUAL GENERAL MEETING**

Notice is hereby given that the Annual General Meeting of Terramin Australia Limited (the **Company**) will be held at Level 7, 342-348 Flinders Street Melbourne Victoria 3000 Australia at 11:00AM (AEST) on Wednesday 30 May 2018.

### **ORDINARY BUSINESS**

#### **ANNUAL REPORT AND ACCOUNTS**

To receive and consider the Company's Financial Report and reports of the Directors and auditors in respect of the financial year ended 31 December 2017.

The Company's 2017 Annual Report is available at <https://www.terramin.com.au/wp-content/uploads/2018/03/2017-Annual-Report-Final.pdf>

*Note: There is no requirement for shareholders to approve the report and accounts and accordingly no Resolution will be put to shareholders regarding this item of business.*

#### **RESOLUTION 1 - RE- ELECTION OF MR FENG SHENG AS A DIRECTOR OF THE COMPANY**

To consider and, if thought fit, pass the following Resolution as an ordinary Resolution:

*"That Mr Feng Sheng be re-elected as a Director of the Company."*

Mr Sheng, in accordance with Rule 58 of the Company's Constitution and Listing Rule 14.4, retires and, being eligible, offers himself for re-election.

#### **RESOLUTION 2 - RE-ELECTION OF MR ANGELO SICILIANO AS A DIRECTOR OF THE COMPANY**

To consider and, if thought fit, pass the following Resolution as an ordinary Resolution:

*"That Mr Angelo Siciliano be re-elected as a Director of the Company."*

Mr Siciliano, in accordance with Rule 58 of the Company's Constitution and Listing Rule 14.4, retires and, being eligible, offers himself for re-election.

#### **RESOLUTION 3 - RE-ELECTION OF MR KEVIN MCGUINNESS AS A DIRECTOR OF THE COMPANY**

To consider and, if thought fit, pass the following Resolution as an ordinary Resolution:

*"That Mr Kevin McGuinness be re-elected as a Director of the Company."*

Mr McGuinness, in accordance with Rule 58 of the Company's Constitution and Listing Rule 14.4, retires and, being eligible, offers himself for re-election.

## **SPECIAL BUSINESS**

### **RESOLUTION 4 - RATIFICATION AND APPROVAL OF PREVIOUS ISSUE AND ALLOTMENT OF ORDINARY SHARES**

To consider and, if thought fit, pass the following Resolution as an ordinary Resolution:

*“That for the purpose of ASX Listing Rule 7.4, the issue of securities, to the persons and on the terms detailed in the accompanying Explanatory Memorandum, is hereby ratified.”*

Please refer to page 3 of this Notice of Meeting for the Voting Exclusions that apply to this Resolution.

### **RESOLUTION 5 - APPROVAL TO ISSUE AN ADDITIONAL 10% OF ISSUED CAPITAL OVER A 12 MONTH PERIOD**

To consider and, if thought fit, pass the following Resolution as a special Resolution:

*“That for the purpose of ASX Listing Rule 7.1A and for all other purposes, approval be given to issue equity securities (as defined in the ASX Listing Rules) equivalent to an additional 10% of the number of ordinary securities on issue calculated in accordance with the formula in ASX Listing Rule 7.1A.2 and on the terms described in the accompanying Explanatory Memorandum”.*

Please refer to page 3 of this Notice of Meeting for the Voting Exclusions that apply to this Resolution. Please note that in the event that the Company’s market capitalization exceeds \$300 million on the date of the meeting, the Company will withdraw this Resolution 5.

### **RESOLUTION 6 - REMUNERATION REPORT – (NON-BINDING RESOLUTION)**

To consider, and if thought fit, pass the following Resolution as an ordinary Resolution:

*“That the Company’s Remuneration Report for the year ended 31 December 2017 be adopted.”*

Please refer to page 3 of this Notice of Meeting for the Voting Exclusions that apply to this Resolution.

### **RESOLUTION 7 - SPILL MEETING RESOLUTION - (CONDITIONAL RESOLUTION)**

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

*“That subject to at least 25% of the votes cast on resolution 6 to adopt the 2017 Remuneration Report opposing the adoption of the report:*

- (a) a general meeting of the Company “Spill Meeting” be held within 90 days of the passing of this resolution;*
- (b) all of the Company’s directors who were directors of the Company when the resolution to make the directors’ report for the financial year ending 31 December 2017 was passed who continue to hold office at the time of the Spill Meeting, cease to hold office immediately before the end of the Spill Meeting; and*
- (c) resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting will be put to the vote of shareholders at the Spill Meeting.”*

## **NOTES RELATING TO VOTING**

### **1. Determination of membership and voting entitlement**

For the purpose of determining a person's entitlement to vote at the Annual General Meeting, a person will be recognised as a member and the holder of shares in the capital of the Company if that person is registered as a holder of those shares at 7:00pm (AEST) on Monday 28 May 2018.

## 2. Voting Exclusions

### Resolution 4

The Company will disregard any votes cast in favour of this Resolution by a person (and any associates of such a person) to whom the shares listed in the explanatory memorandum were issued.

However, the Company need 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 the directions on a valid proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

### Resolution 5

At the date of the Notice the potential allottees of the securities are not known or identified. Therefore no existing shareholders' votes will be excluded under the voting exclusion in this Notice.

### Resolutions 6 and 7

In accordance with the Corporations Act, a vote must not be cast (in any capacity) on Resolutions 6 and 7 by or on behalf of a member of the Company's key management personnel (**KMP**), details of whose remuneration are included in the 2017 Remuneration Report, or a Closely Related Party of a KMP (**Restricted Person**), whether the votes are cast as a shareholder, proxy or in any other capacity.

However, a vote may be cast by a Restricted Person on Resolutions 6 and 7 if:

- (a) the vote is cast as a proxy; and
- (b) the proxy appointment is in writing and it specifies how the proxy is to vote on Resolutions 6 and 7; and
- (c) the vote is not cast on behalf of a Restricted Person.

Further, the Company need not disregard a vote cast by the Chairman as a proxy if the appointment does not specify the way the proxy is to vote on Resolution 6 or Resolution 7 and expressly authorises the Chairman to exercise the proxy, even though the Resolutions are connected directly or indirectly with the remuneration of the KMP.

## 3. Proxies:

- (a) A member entitled to attend and vote is entitled to appoint a person or body corporate as proxy to attend and vote for the member.
- (b) Where the member is entitled to cast two (2) or more votes, the member may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise.
- (c) If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes each proxy may exercise, each proxy may exercise half of the votes.
- (d) A proxy need not be a shareholder of the Company.
- (e) Proxies given by companies must be executed in accordance with the Corporations Act or by a duly authorised officer.
- (f) To be effective, a form appointing a proxy and the power of attorney (if any) under which it is signed or an attested copy thereof must be delivered to Computershare Investor Services Pty Limited GPO Box 242 Melbourne Victoria 3001 Australia, or alternatively you can fax your form to 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia), not later than 11:00AM (AEST) on Monday 28 May 2018.
- (g) **Vote online:** Shareholders can also cast their votes online at [www.investorvote.com.au](http://www.investorvote.com.au) and follow the prompts. To use this facility you will need your Shareholder Reference Number (SRN) or

Holder Identification Number (HIN), postcode and control number as shown on the proxy form. You will have taken to have signed the proxy form if you lodge it in accordance with the instructions on the website.

- (h) Custodian Voting – For Intermediary Online subscribers only (Custodians), please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions.
- (i) If you appoint a proxy, the Company encourages you to direct your proxy how to vote on each Resolution by marking the appropriate boxes on the proxy form.
- (j) Shareholders may direct the Chairman how to vote by directing the Chairman to vote for or against, or to abstain from voting on each Resolution.
- (k) In accordance with sections 250R(4) and (5) of the Corporations Act, the Chairman will not vote any undirected proxies in relation to Resolutions 6 and 7 unless the shareholder expressly authorises the Chairman to vote in accordance with the Chairman's stated voting intentions. Please note that if the Chairman of the meeting is your proxy (or becomes your proxy by default), by completing the attached proxy form or online, you will expressly authorise the Chairman to exercise your proxy on Resolutions 6 and 7 even though it is connected directly or indirectly with the remuneration of a member of Key Management Personnel for the Company, which includes the Chairman.

A form of proxy accompanies this Notice of Annual General Meeting.

**DATED** 27 April 2018

**BY ORDER OF THE BOARD**

A handwritten signature in black ink, appearing to be 'Stephane Gauducheau', written over a horizontal line.

Stephane Gauducheau  
Company Secretary

## EXPLANATORY MEMORANDUM

### GENERAL BUSINESS -

#### Receiving Annual Report and Accounts

In accordance with section 317 of the Corporations Act, the Financial Report, the Directors Report and the Auditors Report for the financial year ended 31 December 2017 will be tabled at the meeting.

There is no requirement for Shareholders to approve these reports. However, the Chairman of the meeting will allow a reasonable opportunity to ask questions about and make comments about these reports, the business and management of the Company.

Shareholders will also be given a reasonable opportunity to ask a representative of the Company's auditor, Grant Thornton, questions in relation to the conduct of the audit and the accounting policies adopted by the Company.

#### RESOLUTIONS 1, 2 and 3 – RE-ELECTION OF DIRECTORS

In accordance with the provisions of ASX Listing Rule 14.5, the Company is required to hold an election of Directors each year. The Company's constitution provides that no Director may hold office without re-election beyond the third Annual General Meeting following the meeting at which the Director was last elected or re-elected.

#### RESOLUTION 1 - RE-ELECTION OF MR FENG SHENG AS A DIRECTOR

In accordance with Rule 58 of the Company's Constitution and ASX Listing Rule 14.4, Mr Sheng retires and, being eligible, offers himself for re-election at the Annual General Meeting.

Mr Sheng is executive Chairman of the Company. He was appointed as a Director in April 2013 and as executive chairman since January 2018. Mr Sheng is also a director of Western Mediterranean Zinc Spa. Mr Sheng is Chairman of Melbourne based Asipac Group (including Asipac Capital Pty Ltd and Asipac Group Pty Ltd) (**Asipac**). He has owned and operated several businesses over the years predominantly focused on property investment and development. Asipac is an active investor in the resources sector and is a member of the Australia China Business Council and sponsors the organisation at national and state level.

The Board (other than Mr Sheng who has abstained) recommends that shareholders vote in favour of this Resolution. The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 1.

#### RESOLUTION 2 - RE-ELECTION OF MR ANGELO SICILIANO AS A DIRECTOR

In accordance with Rule 58 of the Company's Constitution and ASX Listing Rule 14.4, Mr Siciliano retires and, being eligible, offers himself for re-election at the Annual General Meeting.

Mr Siciliano was appointed as a non-executive Director of the Company in February 2013. Mr Siciliano is an accountant with more than 20 years' experience in property development and financial services. Mr Siciliano is the Chief Financial Officer of Asipac and for the last 17 years has owned and managed an accounting practice predominantly focusing on taxation advice and business consulting. Mr Siciliano is a fellow of the Institute of Public Accountants and is a director of Resource Base Limited, a gold company listed on the ASX. He is a member of the Company's Audit & Risk Committee and of the Nominations & Remuneration Committee.

The Board (other than Mr Siciliano who has abstained) recommends that shareholders vote in favour of this Resolution. The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 2.

#### RESOLUTION 3- RE-ELECTION OF MR KEVIN MCGUINNESS AS A DIRECTOR

In accordance with Rule 58 of the Company's Constitution and ASX Listing Rule 14.4, Mr McGuinness retires and, being eligible, offers himself for re-election at the Annual General Meeting.

Mr McGuinness was appointed a non-executive Director in April 2013. Mr McGuinness is a finance executive with more than 20 years' experience as a director and in executive management with ASX listed and private companies in the mining, medical equipment industries and not-for-profit organisations. Mr McGuinness was previously the Chief Financial Officer of Exact Mining Services. He is the current Chairman of Zero Waste SA, a director and former Chairman of the Royal Zoological Society of SA and a former director of Ellex Medical Lasers Limited. Mr McGuinness is Chair of the Audit & Risk Committee and the Nomination & Remuneration Committee and is a director of WMZ.

The Board (other than Mr Guinness who has abstained) recommends that shareholders vote in favour of this Resolution. The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 3.

#### **RESOLUTION 4 – APPROVAL OF ORDINARY SHARES ISSUED**

ASX Listing Rule 7.1 requires the Company to obtain shareholder approval if it issues, or agrees to issue, securities in the capital of the Company in any 12 month period that aggregate more than 15% in number of the existing ordinary shares in the capital of the Company (**15% Rule**).

ASX Listing Rule 7.4 further provides that an issue of securities that did not breach Listing Rule 7.1 at the time of issue and made without shareholder approval is treated as having been made with approval if the Company's shareholders subsequently approve the issue. This has the effect of allowing securities issued and subsequently approved, not to be counted when calculating the number of securities issued in the 12 month period for the purposes of the 15% Rule.

Approval from shareholders is therefore sought pursuant to ASX Listing Rule 7.4 to the issue of the securities set out in the table below, in order to renew the Company's capacity to issue up to 15% of the securities of the Company on issue in a 12 month period.

The Company provides the following information in accordance with ASX Listing Rule 7.5.

<b>Person(s) to whom securities were issued</b>	<b>Number of securities issued</b>	<b>Terms</b>
Institutional and Sophisticated Investors	47,619,048 fully paid ordinary shares	Placement shares issued on 26 September and 4 October 2017 at a price of \$0.168 per Share.  The funds were raised to advance the Company's Tala Hamza Zinc and the Bird-in-Hand Gold Projects and for working capital.

All Shares issued rank pari passu with existing fully paid ordinary shares in the capital of the Company.

The Board recommends shareholders vote in favour of Resolution 4. The Chairman intends to vote undirected proxies in favour of Resolution 4.

#### **RESOLUTION 5 – APPROVAL TO ISSUE AN ADDITIONAL 10% OF ISSUED CAPITAL OVER A 12 MONTH PERIOD**

Listing Rule 7.1A permits eligible entities that have obtained shareholder approval by special Resolution at an annual general meeting to issue an additional 10% of the entity's issued ordinary securities (calculated using the formula set out below). The ability to issue securities under Listing Rule 7.1A is in addition to the Company's ability to issue 15% of its issued capital without security holder approval in a 12 month period, under Listing Rule 7.1.

A listed entity must satisfy both of the following criteria at the time of its annual general meeting in order to be eligible to seek approval under Listing Rule 7.1A:

- it must have a market capitalisation of \$300 million or less; and
- it must not be included in the S&P/ASX300 Index.

The Company must satisfy both criteria as at the date of the general meeting. As at 4 April 2018, The Company is not included in the S&P/ASX 300 Index and has a market capitalisation of approximately 262 million<sup>1</sup>.

In the event that the Company's market capitalization exceeds \$300 million on the date of the meeting, the Company will withdraw this Resolution 4.

The number of equity securities that the Company may issue with approval under Listing Rule 7.1A.2 is calculated using the following formula:

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

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

- plus the number of shares issued in the 12 months under an exception in Listing Rule 7.2;
- plus the number of shares that became fully paid in the 12 months;
- plus the number of shares issued in the 12 months with approval of shareholders under Listing Rules 7.1 or 7.4;
- less the number of shares 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 Rules 7.1 or 7.4.

A Resolution under Listing Rule 7.1A can only be proposed as a special Resolution at an eligible entity's annual general meeting. A special Resolution is a Resolution that has been passed by at least 75% of the votes cast by members entitled to vote on the Resolution. Securities issued with approval under Listing Rule 7.1A must belong to a class of equity securities (as defined in the Listing Rules) (**Equity Securities**) already quoted. Listing Rule 7.1A cannot be used for placements of securities in a class that has not yet been quoted.

The Company did not seek shareholders' approval at the 2017 annual general meeting for such issue of additional 10% of issued capital.

The Company has no plans to issue shares under approval at present, however given the current status of the Company's projects, the Directors believe it is prudent to have such allowance available for the 12 months from the date of the annual general meeting.

The Board recommends shareholders vote in favour of Resolution 5. The Chairman intends to vote undirected proxies in favour of Resolution 5.

### **Information Required by Listing Rule 7.3A**

Listing Rule 7.3A prescribes the information that must be included in the Notice in relation to a Resolution under Listing Rule 7.1A. This information is as follows:

1. The issue price of securities issued under Listing Rule 7.1A must be no lower than 75% of the VWAP for securities in the relevant quoted class calculated over the 15 trading days on which trades in that class were conducted immediately before either:
  - 1.1 the date on which the price at which the securities are to be issued is agreed; or
  - 1.2 if the securities are not issued within 5 trading days of the date in paragraph 1.1 above, the date on which the securities are issued.
2. If Resolution 5 is approved by shareholders and the Company issues additional Equity Securities there is a risk of economic and voting dilution of the existing shareholders including the risk that:
  - 2.1 the market price for the Company's Equity Securities may be significantly lower on the issue date than on the date of the approval under Listing Rule 7.1A; and
  - 2.2 the Equity Securities may be issued at a price that is at a discount to the market price for those Equity Securities on the issue date.

The table below provides details of the quoted and unquoted classes of Equity Securities the Company has on issue at the date of the Notice.

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<sup>1</sup> The market capitalisation is calculated by multiplying the number of shares on issue (1,869,478,040 Shares) by the Share price (\$0.14 as at 4 April 2018)

<b>Equity Securities</b>	<b>Number of issue</b>
Quoted fully paid ordinary shares	1,869,478,040
Unquoted \$0.135 options expiring on 19 December 2018	1,750,000

The following table illustrates the potential dilution of existing shareholders on the basis of the number of ordinary securities for variable "A" as at the date of this notice ("current variable A") and where variable "A" is 15% and 30% greater than the current variable "A":

	Current variable "A"	15% increase in current variable "A"	30% increase in current variable "A"
	1,869,478,040	2,149,899,746	2,430,321,452
10% voting dilution	186,947,804	214,989,975	243,032,145
Total shares on issue following rule 7.1A placements	2,056,425,844	2,364,889,721	2,673,353,597

Assumptions relevant to the table describing the potential dilution of existing shareholders:

- an additional 10% of the Company's ordinary shares are issued under Listing Rule 7.1A;
- no options are exercised before the date of the issue under Listing Rule 7.1A; and
- the issue under Listing Rule 7.1A consists only of shares.

The following table illustrates the funds raised from the issue of an additional 10% of issued capital under 7.1A, based on:

- the current variable "A" and where variable "A" has increased by 15% and 30%; and
- the share price as at the date of this notice and where the share price has fallen by 50% and increased by 100%.

Rule 7.1A placement details	\$0.07 (50% decrease in share price)	\$0.14 (share price as at 4 April 2018)	\$0.28 (100% increase in share price)
186,947,804 (10% voting dilution based on current variable "A")	13,086,346	26,172,693	52,345,385
214,989,975 (10% voting dilution based on 15% increase in current variable "A")	15,049,298	30,098,596	60,197,193
243,032,145 (10% voting dilution based on a 30% increase in current variable "A")	17,012,250	34,024,500	68,049,001

- The Company may only issue Equity Securities during the 12 month period after the date of the Annual General Meeting (30 May 2018). The approval under this Resolution 5 for the issue of the Equity Securities 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 (the disposal of the main undertaking).
- The Company may issue Equity Securities either for non-cash or cash consideration to fund the Company's exploration and development projects (specifically the Bird-in-Hand and Tala Hamza Projects) and the repayment of debts in the next year.
- As at the date of this Notice, the Company has not formed any specific intentions regarding who may be offered securities under a placement pursuant to Listing Rule 7.1A. No decision has been made regarding allottees. The allottees may include either existing security holders or new investors who are not related parties or associates of related parties and have not previously been shareholder, or a combination of both.
- The Company has not sought shareholder approval under Listing Rule 7.1A at its last Annual General Meeting on 17 May 2017. Since that date, the Company issued 48,340,822 fully paid ordinary shares as described below; representing an additional 1.43% of the total number of Equity Securities on issue as at the date of this notice of meeting.

<b>Date of issue</b>	<b>Number and class of Equity Securities, recipient and</b>	<b>Issue price of Equity Securities and discount (if any) to closing market</b>	<b>If issued for cash – total consideration, amount of cash</b>
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	Summary of Key terms	price on the date of the issue	that has been spent and intended use of remaining funds If issued for non-cash – description of consideration and current value of that consideration
28 September and 4 October 2017	47,619,048 new Shares issued to institutional investors	Shares issued at an agreed price of \$0.168 per share (at market)	Share placement raised \$ 8,000,000 to be used towards advancing the Company's projects and for working capital.
3 July 2017 , 4 October 2017, 2 January 2018 and 4 April 2018	A total 721,774 new shares issued to Mr Martin Janes in conversion of share rights issued in accordance with the terms of the Terramin Employee Share Right Plan.	Share rights originally issued at prices determined by reference to VWAP of shares trading 5 days prior to the end of each quarter and ranging from \$0.0947 to \$0.1587 per share	The share rights that converted to shares form part of Mr Janes remuneration under his employment contract in lieu of cash relating to an entitlement of \$21,875 per quarter

## RESOLUTION 6 - REMUNERATION REPORT (NON-BINDING VOTE)

The Company's Annual Report for the financial year ended 31 December 2017 contains a Remuneration Report (within the Directors' Report) which sets out the remuneration policy and practices of the Company and reports on the remuneration arrangements in place for the Company's Directors and Specified Executives (**Remuneration Report**). Shareholders will have a reasonable opportunity at the meeting to comment on and ask questions regarding the Remuneration Report.

Pursuant to section 250R of the Corporations Act, the vote on Resolution 6 is advisory only and will not bind the Directors or the Company. The Board will, however, take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

Amendments to the Corporations Act effective from 1 July 2011, introduced a "two-strikes" rule for the non-binding vote on the adoption of the Remuneration Report. Under the "two-strikes" rule, if at least 25% of the votes cast on a resolution that the Remuneration Report be adopted are against adoption of the report, the Company receives a "first-strike".

At the most recent AGM held on 17 May 2017, the Company received a "first-strike" in relation to the 2016 Remuneration Report. The Board have considered the reasons for this result and sought feedback in relation to the Remuneration Report. The board undertook to discontinue the issue of shares to directors to pay directors fees in lieu of cash.

If at least 25% of the votes cast by poll on Resolution 6 to approve the Remuneration Report or again oppose the adoption of the report, the Company will receive a "second-strike" and the Company must then put Resolution 7 (**Spill Resolution**) to shareholders.

If 50% or more of votes cast are in favour of the Spill Resolution, the Company must convene another meeting (**Spill Meeting**) of the Company's shareholders within 90 days of this meeting.

The Board recommends that shareholders vote in favour of this resolution. The Chairman intends to vote undirected proxies in favour of this Resolution 6.

## RESOLUTION 7 - SPILL MEETING RESOLUTION - (CONDITIONAL RESOLUTION)

This resolution is a conditional resolution and will only be put to shareholders if the Company receives a "second-strike", i.e. if the total votes on Resolution 7 opposing the adoption of the 2017 Remuneration Report exceed 25% of the votes cast. In other words, if Resolution 6 attracts a "yes" vote of more than 75% of cast votes the current board of directors remains in place and this Spill Resolution will not need to be put to shareholders.

If the Company receives a "second-strike" and less than 50% of the votes are cast in favour of this Spill Resolution, the board of directors remains in place.

Note: If you do not want the spill meeting to take place, vote AGAINST this resolution. If you want the spill meeting to take place, vote FOR the resolution.

If the Company receives a “second-strike” and more than 50% of the votes are cast in favour of this Spill Resolution, then a Spill Meeting must take place within 90 days of the passing of this resolution and the entire board must stand for re-election at the Spill Meeting.

Following the Spill Meeting the directors of the Company will be those who are elected at the Spill Meeting.

The provisions of the Corporations Act ensure that following a Spill Meeting, regardless of how many (or if any) directors are not re-elected, the Company will still have the statutory minimum number of directors required.

The Chairman intends to vote undirected proxies AGAINST this Resolution 7.

## GLOSSARY

In this Explanatory Memorandum and the Notice, the following terms have the following meanings unless the context otherwise requires:

**ASX** means ASX Ltd ABN 98 008 624 691 and, where the context requires, the Australian Securities Exchange operated by ASX Ltd.

**Board** means the Board of Directors of the Company.

**Closely Related Party** has the meaning given to that term in the Corporations Act.

**Chairman** means the chairman at the Annual General meeting.

**Company** means Terramin Australia Limited ACN 062 576 238.

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

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

**Explanatory Memorandum** means this information attached to the Notice, which provides information to Shareholders about the Resolutions contained in the Notice.

**Key Management Personnel** or **KMP** has the meaning given to that term in the Accounting Standards.

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

**Notice** or **Notice of Meeting** means the Notice of Annual General Meeting accompanying this Explanatory Memorandum.

**Remuneration Report** means the remuneration contained within the 2016 Company's Annual Report.

**Restricted Person** means the Key Management Personnel and their Closely Related Parties.

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

**Shareholder** means a holder of shares.

**Specified Executive** has the meaning given to that term in the Accounting Standards.

**VWAP** means the volume weighted average share price.





# Terramin Australia Limited

ABN 67 062 576 238

## Lodge your vote:

**Online:**  
www.investorvote.com.au

**By Mail:**  
Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) www.intermediaryonline.com

**For all enquiries call:**  
(within Australia) 1300 556 161  
(outside Australia) +61 3 9415 4000

## Proxy Form

<p><b>Vote and view the annual report online</b></p> <ul style="list-style-type: none"> <li>• Go to <a href="http://www.investorvote.com.au">www.investorvote.com.au</a> or scan the QR Code with your mobile device.</li> <li>• Follow the instructions on the secure website to vote.</li> </ul>	
<p><b>Your access information that you will need to vote:</b></p> <p><b>Control Number:</b></p> <p><b>SRN/HIN:</b> PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.</p>	

**For your vote to be effective it must be received by 11:00am (AEST) Monday 28 May 2018**

### How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### Signing Instructions for Postal Forms

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,  
or turn over to complete the form** ➔

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Terramin Australia Limited hereby appoint

the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

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 at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Terramin Australia Limited to be held at Level 7, 342-348 Flinders Street Melbourne Victoria 3000 on Wednesday 30 May 2018 at 11:00am (AEST) and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on **Items 6 & 7** (except where I/we have indicated a different voting intention below) even though **Items 6 & 7** are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**The Chairman of the Meeting intends to vote undirected proxies in favour of each Item of business with the exception of Item 7 where the Chairman of the Meeting intends to vote against. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.**

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on **Items 6 & 7** by marking the appropriate box in step 2 below.

## STEP 2 Items of Business

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

The Chairman of the Meeting intends to vote all available proxies **IN FAVOUR** of the following items of business:

For      Against      Abstain

### ORDINARY BUSINESS

1	Re-election of Mr Feng Sheng as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Re-election of Mr Angelo Siciliano as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Re-election of Mr Kevin McGuinness as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### SPECIAL BUSINESS

4	Ratification and Approval of Previous Issue and Allotment of Ordinary Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Approval to Issue an Additional 10% of Issued Capital over a 12 Month Period	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	Remuneration Report – (Non-binding Resolution)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote all available proxies **AGAINST** the following item of business:

7	Spill Meeting Resolution – (Conditional Resolution)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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## SIGN

**Signature of Securityholder(s)** *This section must be completed.*

Individual or Securityholder 1

Securityholder 2

Securityholder 3

Sole Director and Sole Company Secretary

Director

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /