



**Adelaide**  
RESOURCES

# NOTICE OF 2016 ANNUAL GENERAL MEETING

## NOTICE IS HEREBY GIVEN

that the Annual General Meeting of Shareholders  
of Adelaide Resources Limited

will be held at The Science Exchange,  
55 Exchange Place, Adelaide, South Australia

on **Wednesday 30 November 2016**  
commencing at **11.00 am** (Adelaide time ACDT).

## How to find The Science Exchange



ADELAIDE RESOURCES LIMITED ACN 061 503 375

69 King William Road Unley South Australia • PO Box 1210 Unley BC SA 5061

# Ordinary Business

## FINANCIAL REPORT

To receive and consider the Company's financial statements and independent audit report for the year ended 30 June 2016.

The 2016 Annual Report will be available to view online at [www.adelaideresources.com.au](http://www.adelaideresources.com.au) and despatched to those Shareholders who have elected to receive a hard copy of the report.

## RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT FOR THE YEAR ENDED 30 JUNE 2016

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

*That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, the Company adopt the Remuneration Report for the period ended 30 June 2016 as set out in the Directors' Report in the 2016 Annual Report.*

### Voting Exclusion Statement

The Company will disregard any votes cast (in any capacity) on Resolution 1 by any Key Management Personnel, the details of whose remuneration are included in the Remuneration Report, and any Closely Related Party of such Key Management Personnel.

However, a person described above may cast a vote on Resolution 1 if the vote is not cast on behalf of a person described above and either:

- a) the person does so as proxy appointed in writing that specifies how the proxy is to vote on the proposed resolution; or
- b) the Chair of the Meeting is appointed as proxy and the Proxy Form expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

The Company need not disregard a vote if it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the stated voting intentions of the Chair of the Meeting.

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

## RESOLUTION 2 – RE-ELECTION OF MR COLIN JACKSON AS A DIRECTOR

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

*That, for the purposes of ASX Listing Rule 14.4 and clause 6.1 of the Company's Constitution and for all other purposes, Mr Colin Jackson, having retired as a Director by rotation and being eligible and having offered himself for re-election, is re-elected as a Director of the Company with immediate effect.*

# Special Business

## RESOLUTION 3 – RATIFICATION OF A PREVIOUS ISSUE OF SHARES TO RESOURCE CAPITAL RESEARCH

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

*That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, the issue and allotment by the Company of 464,062 Shares on 27 May 2016 to the principal of Resource Capital Research as part payment for the preparation of an equity research report on the Company, is approved.*

### Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 3 by a person who participated in the issue and any of their associates. However the Company will not disregard a vote if:

- a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions of the Proxy Form; or
- b) it is cast by a person who is 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 4 – RATIFICATION OF A PREVIOUS ISSUE OF SHARES UNDER A PLACEMENT

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

*That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, the issue and allotment by the Company of 44,416,232 Shares on 22 July 2016 under a Placement to professional and sophisticated investors, is approved.*

### Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 4 by a person who participated in the issue and any of their associates. However the Company will not disregard a vote if:

- a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions of the Proxy Form; or
- b) it is cast by a person who is 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 –  
APPROVAL OF ISSUE OF SECURITIES  
TO EXECUTIVE DIRECTOR –  
MR CHRISTOPHER DROWN**

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

*That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the issue and allotment of 2,300,000 Shares to Mr Christopher Drown under the Loan Funded Employee Share Plan, on the terms and conditions summarised in the Explanatory Memorandum accompanying this Notice of Meeting.*

**Voting Exclusion Statement**

The Company will disregard any votes cast on Resolution 5 by Mr Christopher Drown and Mr Nicholas Harding or any of their associates. However, the Company will not disregard a vote if:

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

For the purposes of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 5 if:

- a) the person is either:
  - a member of the Key Management Personnel for the Company or, if the Company is part of a consolidated entity, for the entity; or
  - a Closely Related Party of such a member; and
- b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the Company will not disregard a vote if:

- the person is the Chair of the Meeting at which the resolution is to be voted on; and
- the appointment expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

**RESOLUTION 6 –  
APPROVAL OF ISSUE OF SECURITIES  
TO EXECUTIVE DIRECTOR –  
MR NICHOLAS HARDING**

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

*That, for the purpose of ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the issue and allotment of 1,300,000 Shares to Mr Nicholas Harding under the Loan Funded Employee Share Plan, on the terms and conditions summarised in the Explanatory Memorandum accompanying this Notice of Meeting.*

**Voting Exclusion Statement**

The Company will disregard any votes cast on Resolution 6 by Mr Nicholas Harding and Mr Christopher Drown or any of their associates. However, the Company will not disregard a vote if:

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

For the purposes of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 6 if:

- a) the person is either:
  - a member of the Key Management Personnel for the Company or, if the Company is part of a consolidated entity, for the entity; or
  - a Closely Related Party of such a member; and
- b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the Company will not disregard a vote if:

- the person is the Chair of the Meeting at which the resolution is to be voted on; and
- the appointment expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

## **RESOLUTION 7 – AMENDMENT OF CONSTITUTION TO REMOVE MINIMUM SALE PRICE FOR UNMARKETABLE PARCELS**

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

*That pursuant to Section 136(2) of the Corporations Act 2001 (Cth), the Constitution of the Company be modified as follows:*

- a) *by deleting rule 150.1 and replacing it with the following rule:*

*150.1 In this rule 150:*

- 1) “Marketable Parcel” of the relevant securities has the meaning ascribed by the Listing Rules;*
- 2) “Minority Member” means the holder of less than a Marketable Parcel of the relevant securities;*
- 3) “Notice” means the written notice given to Minority Members in accordance with rule 150.2;*
- 4) “Notice Date” means the date of the Notice sent by the Company to a Minority Member advising that the Company intends to sell that Minority Member’s securities on that member’s behalf under rule 150.2;*
- 5) “Purchaser” means the person or persons (including a member or members) to whom the relevant securities are disposed or sold in accordance with rule 150.2;*
- 6) “Sale Consideration” means the proceeds of any sale or other disposal of the relevant securities of a Minority Member pursuant to this rule 150.*

- b) *by deleting rule 150.3 and replacing it with the following rule:*

*150.3 For the purposes of the sale of securities under this rule 150 each Minority Member:*

- 1) appoints the Company as the Minority Member’s agent to sell, as soon as practicable after the 6 week period after the Notice Date, all of the Minority Member’s relevant securities for a sale price which in the opinion of the directors is fair and reasonable and in any manner and on any terms as the directors resolve.*
- 2) appoints the Company and each of its directors jointly and severally as the Minority Member’s attorneys in that member’s name and on that member’s behalf to effect all transfer documents, deeds or other documents or instruments necessary to transfer the relevant securities from the Minority Member to the Purchaser.*

## **RESOLUTION 8 – APPROVAL OF 10% PLACEMENT FACILITY**

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, Shareholders approve the issue of equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting.*

### **Voting Exclusion Statement**

In accordance with ASX Listing Rule 7.3A.7, the Company will disregard any votes cast on Resolution 8 by:

- a) a person who may participate in the issue of securities; and
- b) a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this resolution is passed; and
- c) any of their associates.

However, the Company will not disregard a vote if:

- a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions of the Proxy Form; or
- b) it is cast by a person who is 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 9 – APPROVAL OF CHANGE OF COMPANY NAME**

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

*That, for the purposes of Section 157(1)(a) of the Corporations Act and for all other purposes, the Company’s name be changed from Adelaide Resources Limited to “Andromeda Metals Limited”, with effect from 1 January 2017.*

## Other Business

To transact any other business that may be brought forward in accordance with the Company's Constitution.

By Order of the Board



**N J Harding**  
Company Secretary

Dated this 21<sup>st</sup> day of October 2016

### Voting Entitlements

For the purposes of ascertaining the voting entitlements for the Annual General Meeting, the shareholding of each Shareholder will be as it appears in the share register on Monday 28 November 2015 at 6.30pm (Adelaide time ACDT).

### Proxies

A Shareholder entitled to attend and vote at the Meeting has the right to appoint a proxy, who need not be a Shareholder of the Company. If a Shareholder is entitled to cast two or more votes they may appoint two proxies and may specify the percentage of votes each proxy is appointed to exercise. The Proxy Form must be deposited at the share registry of the Company, Computershare Investor Services Pty Limited, located at GPO Box 242, Melbourne VIC 3001, or at the Company's registered office, 69 King William Road, Unley, SA 5061, or by facsimile to Computershare on 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia) or to the Company on +61 8 8271 0033, or by casting a vote online by visiting [www.investorvote.com.au](http://www.investorvote.com.au) and by entering the Control Number, SRN/HIN and postcode, which are shown on the first page of the enclosed Proxy Form not later than 48 hours before the commencement of the Meeting. For Intermediary Online subscribers only (custodians), please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions, which must be submitted by not later than 48 hours before the commencement of the Meeting.

### Corporate Representative

A corporation that is a Shareholder or a proxy may elect to appoint a person to act as its corporate representative at the meeting, in which case the corporate Shareholder or proxy (as applicable) must provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that Shareholder's or proxy's (as applicable) corporate representative. The authority must be sent to the Company and/or the Company's Share Registry (detailed above) in advance of the meeting or handed in at the Meeting when registering as a corporate representative.

### Explanatory Memorandum

The Explanatory Memorandum accompanying this Notice of Annual General Meeting is incorporated in and comprises part of this Notice of Annual General Meeting and should be read in conjunction with this Notice.



# Explanatory Memorandum

This Explanatory Memorandum has been prepared to assist Shareholders in consideration of Resolutions proposed for the Annual General Meeting of the Company to be held at The Science Exchange, 55 Exchange Place, Adelaide, South Australia on Wednesday 30 November 2016 commencing at 11am (Adelaide time ACDT).

It should be read in conjunction with the accompanying Notice of Annual General Meeting.

## **RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT FOR THE YEAR ENDED 30 JUNE 2016**

In accordance with Section 250R(2) of the Corporations Act, Shareholders are required to vote on the Company's Remuneration Report for the year ended 30 June 2016.

The Remuneration Report is contained in the Directors' Report in the 2016 Annual Report, which will be available to view online at the Company's website **[www.adelaideresources.com.au](http://www.adelaideresources.com.au)** and despatched to those Shareholders who have elected to receive a hard copy of the report.

The Remuneration Report describes the underlying policies and structure of the remuneration arrangements of the Company and sets out the remuneration arrangements in place for Directors and senior executives for the year ended 30 June 2016.

The Corporations Act requires that a resolution to adopt the Remuneration Report be put to the vote at the annual general meeting of the Company. Members should note that the vote on Resolution 1 is not binding on the Company or the Directors.

Since 1 July 2011, if more than 25% of the votes cast on a resolution to adopt the Remuneration Report are against the adoption of the Remuneration Report for two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution ("Spill Resolution") that another meeting be held within 90 days, at which all of the Company's Directors must go up for re-election.

At the 2015 AGM, the Company's Remuneration Report for the year ended 30 June 2015 was approved by shareholders. The vote against approval was less than 25%.

### ***Important information for Shareholders:***

Please note, in accordance with sections 250R(4) and (5) of the Corporations Act, the Chair will not vote any undirected proxies in relation to Resolution 1 unless the Shareholder expressly authorizes the Chair to vote in accordance with the Chair's stated voting intentions. Please note that if the Chair of the Meeting is your proxy (or becomes your proxy by default), by completing the attached proxy form, you will expressly authorise the Chair to exercise your proxy

on Resolution 1 even though it is connected directly or indirectly with the remuneration of a member of Key Management Personnel for the Company, which includes the Chair. You should be aware that the Chair of the Meeting intends to vote undirected proxies in favour of the adoption of the Remuneration Report.

Alternatively, if you appoint the Chair as your proxy, you can direct the Chair to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box on the proxy form.

As a further alternative, Shareholders can nominate as their proxy for the purposes of Resolution 1, a proxy who is not a member of the Company's Key Management Personnel or any of their Closely Related Parties. That person would be permitted to vote undirected proxies (subject to the Listing Rules).

### ***Directors' Recommendation***

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1, noting that each Director has a material personal interest in his own remuneration from the Company. The Chair intends to vote undirected proxies in favour of Resolution 1.

## **RESOLUTION 2 – RE-ELECTION OF MR COLIN JACKSON AS A DIRECTOR**

In accordance with Listing Rule 14.4 and clause 6.1 of the Company's Constitution, at every Annual General Meeting, one third of the Directors for the time being must retire from office and are eligible for re-election. The Directors to retire are to be those who have been in office for 3 years since their appointment or last re-appointment or who have been longest in office since their appointment or last re-appointment or, if the Directors have been in office for an equal length of time, by agreement. This rule does not apply to the Managing Director.

The Directors presently in office are Mr Colin Jackson, Mr Christopher Drown, Mr Nicholas Harding and Mr Jonathan Buckley.

Mr Jackson was elected a director by Shareholders at the 2015 AGM. He is the equal longest in office since his last re-appointment and will retire by rotation at the Annual General Meeting. Mr Jackson is eligible for, and has offered himself for, re-election.

The resume of Mr Jackson is as follows:

**Colin G Jackson**

MSc, BSc (Hons), DIC, Grad Dip Bus Admin

Colin Jackson is a metallurgist and mineral process design engineer graduate of Birmingham University and Royal School of Mines, Imperial College, London University. He has over 40 years of industry experience and brings to the Company a strong technical background and extensive copper-gold knowledge. In addition he has substantial global financial market experience and has guided a number of companies from the exploration phase into production.

After ten years of mine design and operating experience with Selection Trust Limited and RGC Limited, Mr Jackson became a Director of Research and Corporate for McIntosh Securities Ltd (now Bank of America Merrill Lynch) where he raised equity for a significant number of gold companies including Kidston Gold Mines and Placer Pacific Limited's IPO over a 12 year period. His next 8 years were dedicated to communication and investor relations roles at Newcrest Mining Limited and Normandy Mining Limited where he was Group Executive Corporate.

More recently Mr Jackson has held Non-Executive Director positions with Terramin Australia Limited, Intrepid Mines Limited and Red 5 Limited where he helped guide the financing and development of the Angas zinc mine in South Australia, the Paulsens underground gold mine in Western Australia, and the Siana open pit gold mine on the island of Mindanao in the Philippines.

***Directors' Recommendation***

The Directors (excluding Mr Jackson) unanimously recommend that Shareholders vote in favour of Resolution 2. The Chair intends to vote undirected proxies in favour of Resolution 2.

**RESOLUTION 3 – RATIFICATION OF A PREVIOUS ISSUE OF SHARES TO RESOURCE CAPITAL RESEARCH**

On 27 May 2016 the Company issued 464,062 Shares to the principal of Resource Capital Research (RCR) as part consideration for services rendered by RCR. RCR provides equity research and capital raising services for junior exploration and developing resource companies, and was engaged by Adelaide Resources to prepare two research papers on the Company over an approximate 12 month period for an agreed fee of \$9,900 including GST payable as \$2,475 in cash and \$7,425 in equivalent Adelaide Resources Shares.

Listing Rule 7.1 prohibits a listed company from issuing equity securities representing more than 15% of its issued capital in any 12 month period without first obtaining shareholder approval (subject to certain exceptions).

Under Listing Rule 7.4, a company can seek ratification of issues that have been made within the previous 12 month period if:

- a) the issue does not breach rule 7.1; and
- b) shareholders subsequently approve such issue.

The effect of such ratification is that the issue of shares is then deemed to have been made with shareholder approval, thus not counting towards the 15% limit. The approved shares are also included in the base number for calculating the Company's 15% limit, thereby increasing the number of equity securities the Company can issue without first having to obtain shareholder approval under Listing Rule 7.1.

The issue of shares to RCR was made within the Company's available 15% capacity at the time of issue. Resolution 3 seeks the ratification by Shareholders of the issue of the 464,062 Shares to RCR. If Resolution 3 is approved then those Shares will be deemed to have been issued with shareholder approval and therefore will not be counted towards the Company's 15% placement capacity pursuant to Listing Rule 7.1, thus allowing the Company to maintain flexibility during the upcoming 12 month period to supplement the Company's working capital requirements and undertake further capital transactions should the Directors determine this to be in the best interests of the Company. RCR is not a Related Party of the Company.

Listing Rule 7.5 requires the following information to be provided to Shareholders for the purposes of obtaining shareholder approval pursuant to Listing Rule 7.4:

- a) 464,062 ordinary Shares in the capital of the Company were issued;
- b) the Shares were issued as part consideration for the provision of services by RCR. The Shares were issued at a deemed issue price of \$0.016 per Share;
- c) the Shares were issued on the same terms as, and rank equally with, the existing Shares in the Company;
- d) the Shares were issued to the principal of Resource Capital Research, Mr John Wilson;
- e) no funds were raised by the issue of the Shares, although the Company's liability to RCR (detailed above) was satisfied by the issue;
- f) a voting exclusion statement has been included in the Notice of the Annual General Meeting .

***Directors' Recommendation***

The Directors unanimously recommend that shareholders vote in favour of Resolution 3. The Chair intends to vote undirected proxies in favour of Resolution 3.

#### **RESOLUTION 4 – RATIFICATION OF A PREVIOUS ISSUE OF SHARES UNDER A PLACEMENT**

On 22 July 2016 the Company issued a total of 44,416,232 Shares (**Placement Shares**), inclusive of 1,466,232 incentive Shares to participating brokers, to professional and sophisticated investors under a share placement to raise \$816,050 before costs. The Placement Shares were issued without Shareholder approval under the Company's 15% placement capacity allowable under Listing Rule 7.1.

Listing Rule 7.1 prohibits a listed company from issuing equity securities representing more than 15% of its issued capital in any 12 month period without first obtaining shareholder approval (subject to certain exceptions).

Under Listing Rule 7.4, a company can seek ratification of issues that have been made within the previous 12 month period if:

- a) the issue does not breach rule 7.1; and
- b) shareholders subsequently approve such issue.

The effect of such ratification is that the issue of shares is then deemed to have been made with shareholder approval, thus not counting towards the 15% limit. The approved shares are also included in the base number for calculating the Company's 15% limit, thereby increasing the number of equity securities the Company can issue without first having to obtain shareholder approval under Listing Rule 7.1.

The issue of the Placement Shares to professional and sophisticated investors did not breach Listing Rule 7.1 and has not previously been approved by Shareholders. The Company now seeks Shareholder approval for the issue of the Shares pursuant to Listing Rule 7.4.

The effect of passing Resolution 4 will be to refresh the Company's 15% capacity under Listing Rule 7.1 so that its capacity would be the same as if the Shares had not been issued. This Resolution, if passed, will increase the Company's financial flexibility in the future.

If Resolution 4 is not passed by Shareholders, the Company would, when calculating the number of securities it can issue without Shareholder approval to go beyond the 15% limit, need to deduct the number of Placement Shares issued to professional and sophisticated investors from which any further issues could be made.

Listing Rule 7.5 requires the following information to be provided to Shareholders for the purposes of obtaining shareholder approval pursuant to Listing Rule 7.4:

- a) 44,416,232 Shares in the capital of the Company were issued;
- b) the Placement Shares were issued at a price of \$0.019 per Share;

- c) the Placement Shares were issued on the same terms as, and rank equally with, the existing Shares in the Company;
- d) the Placement Shares were issued to professional and sophisticated investors, none of whom are related parties of the Company;
- e) the funds raised by the issue of the Placement Shares were to be primarily used to undertake metallurgical testwork and assessment of development options for the Barns gold deposit, including exploration of nearby gold prospects on the Eyre Peninsula Gold Project, along with drill testing the Bunyip prospect on the Drummond Gold Project and low cost sampling of newly acquired lithium prospects;
- f) a voting exclusion statement has been included in the Notice of the Annual General Meeting.

#### **Directors' Recommendation**

The Directors believe that the ratification of this issue and the refresh of the 15% capacity under Listing Rule 7.1 is beneficial to the Company. The Directors unanimously recommend that shareholders vote in favour of Resolution 4. The Chair intends to vote undirected proxies in favour of Resolution 4.

#### **RESOLUTION 5 – APPROVAL OF ISSUE OF SECURITIES TO EXECUTIVE DIRECTOR – MR CHRISTOPHER DROWN**

The Company's remuneration policy is to ensure that remuneration is competitive in attracting, motivating and retaining employees of high calibre and properly reflects the duties and responsibilities of each relevant employee. Consequently, Shareholder approval is being sought for the proposed issue of 2,300,000 Shares to Mr Christopher Drown, as Managing Director, pursuant to his participation in the Loan Funded Share Plan for the year calendar year ending 31 December 2017.

The remuneration structure used by the Company to achieve these objectives includes the combination of fixed annual remuneration and performance related remuneration (including participation in the Loan Funded Share Plan, which is offered to employees who are able to influence the generation of shareholder wealth and therefore have a direct impact on the Company's performance).

To achieve the objectives of sustainable performance, subject to Shareholders approving Resolution 5, up to 2,300,000 Shares in the capital of the Company will be issued to Mr Drown, 50% of which will be based upon performance against a number of personal KPI's as set by the Board and 50% based on the Company's share price performance against a peer group relative Share price performance during the calendar year 2017.



In measuring the Company's share price performance, the improvement must be positive over the course of the year with 100% of the Company performance Shares component awarded if the share price improvement is in the top quartile of the ASX Small Resources Index and 50% if the share price improvement is in the second quartile of the ASX Small Resources Index. There is no award for share price improvement in the lower half of the ASX Small Resources Index.

The granting of the Shares is subject to Shareholders approving Resolution 5. Subject to receipt of Shareholder approval, the Board intends to grant the Shares at the first Board meeting following the Meeting.

ASX Listing Rule 10.14 requires that an entity must not permit the following persons to acquire securities under an employee incentive scheme without the approval of holders of ordinary securities of the acquisition:

- a) a Director;
- b) an associate of a Director; or
- c) a person whose relationship with the Company or a Director or an associate with a Director is, in ASX's opinion, such that approval should be obtained.

The following information is provided to Shareholders for the purposes of Listing Rule 10.15A:

- a) the Shares will be issued to Mr Drown or an associate of Mr Drown nominated by him;
- b) the maximum number of Shares to be issued to Mr Drown is 2,300,000;
- c) the Shares will be issued based upon the closing market price at the date of issue;
- d) Mr Drown was issued with 4,500,000 Shares under the Loan Funded Share Plan following approval by Shareholders at the 2015 AGM;
- e) the persons referred to in Listing Rule 10.14 entitled to participate in the Loan Funded Share Plan are Mr Christopher Drown and Mr Nicholas Harding;
- f) an interest-free loan equivalent to the total value of the Shares at the date of issue will be granted to Mr Drown;
- g) details of any securities issued under the Loan Funded Employee Share Plan will be published in each Annual Report of the Company in accordance with the requirements of the Corporations Act and relevant Accounting Standards relating to a period in which securities have been issued, and that approval for the issue of securities was obtained under Listing Rule 10.14;
- h) any additional persons specified in Listing Rule 10.14 who become entitled to participate in the Loan Funded Share Plan after Resolution 5 is approved and who were not named in this Notice of Meeting will not participate until approval is obtained under Listing Rule 10.14;

- i) the Shares to be issued will be issued not later than 1 month after the date of this Meeting; and
- j) a voting exclusion statement has been included in the Notice of Meeting.

### **Director's Recommendation**

The Directors (other than Mr Drown and Mr Harding) recommend that Shareholders vote in favour of Resolution 5. The Chair intends to vote undirected proxies in favour of Resolution 5.

### **RESOLUTION 6 – APPROVAL OF ISSUE OF SECURITIES TO EXECUTIVE DIRECTOR – MR NICHOLAS HARDING**

The Company's remuneration policy is to ensure that remuneration is competitive in attracting, motivating and retaining employees of high calibre and properly reflects the duties and responsibilities of each relevant employee. Consequently, Shareholder approval is being sought for the proposed issue of 1,300,000 Shares to Mr Nicholas Harding, as Executive Director, pursuant to his participation in the Loan Funded Share Plan for the year calendar year ending 31 December 2017.

The remuneration structure used by the Company to achieve these objectives includes the combination of fixed annual remuneration and performance related remuneration (including participation in the Loan Funded Share Plan, which is offered to employees who are able to influence the generation of shareholder wealth and therefore have a direct impact on the Company's performance).

To achieve the objectives of sustainable performance, subject to Shareholders approving Resolution 6, up to 1,300,000 Shares in the capital of the Company will be issued to Mr Harding, 60% of which will be based upon performance against a number of personal KPI's as set by the Board and 40% based on the Company's Share price performance against a peer group relative share price performance during the calendar year 2017.

In measuring the Company's share price performance, the improvement must be positive over the course of the year with 100% of the Company performance Shares component awarded if the share price improvement is in the top quartile of the ASX Small Resources Index and 50% if the share price improvement is in the second quartile of the ASX Small Resources Index. There is no award for share price improvement in the lower half of the ASX Small Resources Index.

The granting of the Shares is subject to Shareholders approving Resolution 6. Subject to receipt of Shareholder approval, the Board intends to grant the Shares at the first Board meeting following the Meeting.

ASX Listing Rule 10.14 requires that an entity must not permit the following persons to acquire securities under an employee incentive scheme without the approval of holders of ordinary securities of the acquisition:

- a) a Director;
- b) an associate of a Director; or
- c) a person whose relationship with the Company or a Director or an associate with a Director is, in ASX's opinion, such that approval should be obtained.

The following information is provided to Shareholders for the purposes of Listing Rule 10.15A:

- a) the Shares will be issued to Mr Harding or an associate of Mr Harding nominated by him;
- b) the maximum number of Shares to be issued to Mr Harding is 1,300,000;
- c) the Shares will be issued based upon the closing market price at the date of issue;
- d) Mr Harding was issued with 2,500,000 Shares under the Loan Funded Share Plan following approval by Shareholders at the 2015 AGM;
- e) the persons referred to in Listing Rule 10.14 entitled to participate in the Loan Funded Share Plan are Mr Christopher Drown and Mr Nicholas Harding;
- f) an interest-free loan equivalent to the total value of the Shares at the date of issue will be granted to Mr Harding;
- g) details of any securities issued under the Loan Funded Share Plan will be published in each Annual Report of the Company in accordance with the requirements of the Corporations Act and relevant Accounting Standards relating to a period in which securities have been issued, and that approval for the issue of securities was obtained under Listing Rule 10.14;
- h) any additional persons specified in Listing Rule 10.14 who become entitled to participate in the Loan Funded Employee Share Plan after Resolution 6 is approved and who were not named in this Notice of Meeting will not participate until approval is obtained under Listing Rule 10.14;
- i) the shares to be issued will be issued not later than 1 month after the date of this Meeting; and
- j) a voting exclusion statement has been included in the Notice of Meeting.

#### **Directors' Recommendation**

The Directors (other than Mr Harding and Mr Drown) recommend that Shareholders vote in favour of Resolution 6. The Chair intends to vote undirected proxies in favour of Resolution 6.

#### **RESOLUTION 7 – AMENDMENT OF CONSTITUTION TO REMOVE MINIMUM SALE PRICE FOR UNMARKETABLE PARCELS**

The Company is considering undertaking an unmarketable parcel sweep up at some stage during the upcoming year.

Rule 150 of the Company's Constitution deals with unmarketable parcels and it currently states that securities of a 'Minority Member' (ie the holder of less than a Marketable Parcel (as defined on the Listing Rules) of the relevant securities) sold in accordance with Rule 150 must be sold at a price or for a consideration which in the opinion of the Directors, has a value of not less than the 'Minimum Sale Price'.

The 'Minimum Sale Price' is defined in the Constitution as:

- a) the weighted average sale price of the relevant securities sold on ASX during a period of 5 consecutive trading days immediately preceding the relevant 'Notice Date' (ie the date of the written notice given to the Minority Members in accordance with rule 150.2) rounded off to the nearest half cent; or
- b) if there are no sales of the relevant securities on ASX during that period, the sale price which in the opinion of the Directors is a fair and reasonable price for the relevant securities immediately prior to the relevant Notice Date.

Given that the period from notification of an unmarketable parcel sweep up to actual sale of the unmarketable parcels can exceed six weeks, it is possible that in some circumstances, the Minimum Sale Price can be higher than the ASX market price and consequently this can result in the Minority Member's securities not being bought on ASX by a Purchaser.

#### **Directors' Recommendation**

Resolution 7 is a special resolution. For a special resolution to be passed, at least 75% of the votes cast by Shareholders entitled to vote on Resolution 7 must be in favour of the Resolution.

The Directors recommend that Shareholders vote in favour of Resolution 7. The Chair intends to vote undirected proxies in favour of Resolution 7.

## **RESOLUTION 8 – APPROVAL OF 10% PLACEMENT FACILITY**

### **Background to Resolution 8**

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the Annual General Meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1. An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300 million or less. The Company's market capitalisation as at 21 October 2016 was \$7.3 million (405,767,063 issued shares at \$0.018 opening price per share). Further, the Company is not included in the S&P/ASX 300 Index, and is therefore an eligible entity for the purposes of Listing Rule 7.1A.

The Company is now seeking Shareholder approval by way of a Special Resolution to have the ability to issue Equity Securities under the 10% Placement Facility. The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2. It is the Company's intention that funds received under the 10% Placement Facility will primarily be used to undertake further exploration and evaluation activities within the Eyre Peninsula Project in South Australia and the Drummond Project in Northern Queensland. Funds raised under the 10% Placement Facility may also be used to supplement the Company's working capital requirements and undertake further transactions to acquire new assets or investments should the Directors determine this to be in the best interests of the Company. Consequently, the Directors have resolved to seek Shareholder approval for the 10% Placement Facility, for the 12 month period from the date of this Annual General Meeting.

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

#### *a) Shareholder approval*

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a Special Resolution at an Annual General Meeting.

#### *b) Equity Securities*

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

The Company, as at the date of this Notice, has on issue one class of Equity Security being Listed Ordinary Shares.

#### *c) Formula for calculating 10% Placement Facility*

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

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

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

- 1) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- 2) plus the number of partly paid shares that became fully paid in the 12 months;
- 3) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without Shareholder approval;
- 4) less the number of fully paid shares cancelled in the 12 months.

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

**D** is 10%

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

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

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

At the date of this Notice, the Company has on issue 405,767,063 Shares and therefore has a capacity to issue:

- 1) 9,252,721 Equity Securities under Listing Rule 7.1; or
- 2) subject to Shareholder approval being obtained under Resolutions 3 and 4, 60,865,059 Equity Securities under Listing Rule 7.1; or
- 3) subject to Shareholder approval being obtained under Resolution 8, 40,576,706 Equity Securities under Listing Rule 7.1A.

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

### Minimum Issue Price

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

- 1) the date on which the price at which the Equity Securities are to be issued is agreed; or
- 2) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (1) above, the date on which the Equity Securities are issued.

The Company may also issue Equity Securities under the 10% Placement Facility as consideration for the acquisition of a new asset, in which case the Company will release to the market a valuation of those Equity Securities that demonstrates that the issue price of the securities complies with the rule above. Since it is not known at this time if any securities will be issued during the 12 month period under the 10% Placement Facility, it is not possible to definitively state the minimum issue price, except to confirm that the issue price will be calculated in accordance with the above formula.

### 10% Placement Period

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

- 1) the date that is 12 months after the Annual General Meeting at which the approval is obtained; or
- 2) the date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX (**10% Placement Period**).

### Listing Rule 7.1A

The effect of Resolution 8 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's placement capacity under Listing Rule 7.1.

Resolution 8 is a Special Resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

### Specific information required by Listing Rule 7.3A

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

- a) the Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days on which trades in that class were recorded immediately before:
  - 1) the date on which the price at which the Equity Securities are to be issued is agreed; or
  - 2) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (1) above, the date on which the Equity Securities are issued.
- b) if Resolution 8 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, existing Shareholders may be subject to both economic and voting power dilution. There is a risk that:
  - 1) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting;
  - 2) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date; and
  - 3) the Equity Securities are issued as part of consideration for the acquisition of a new asset, in which case, no funds will be raised by the issue of the Equity Securities.

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

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

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.009 50% decrease in issue price	\$0.018 Issue price	\$0.036 100% increase in issue price
Current Variable A 405,767,063 Shares	10% voting dilution	40,576,706 Shares	40,576,706 Shares	40,576,706 Shares
	Funds raised	\$365,190	\$730,381	\$1,460,761
50% increase in current Variable A 608,650,594 Shares	10% voting dilution	60,865,059 Shares	60,865,059 Shares	60,865,059 Shares
	Funds raised	\$547,785	\$1,095,571	\$2,191,142
100% increase in current Variable A 811,534,126 Shares	10% voting dilution	81,153,412 Shares	81,153,412 Shares	81,153,412 Shares
	Funds raised	\$730,381	\$1,460,761	\$2,921,523

The table has been prepared on the following assumptions:

- i) the Company issues the maximum number of Equity Securities available under the 10% Placement Facility;
  - ii) no Unlisted Options (including any Unlisted Options issued under the 10% Placement Facility) or Performance Rights are exercised into Shares before the date of the issue of the Equity Securities;
  - iii) the 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%;
  - iv) the table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the meeting;
  - v) the table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1. Dilution experienced by Shareholders may be greater if issues have been made utilising the capacity in Listing Rule 7.1 as well;
  - vi) the issue of Equity Securities under the 10% Placement Facility consists only of Shares;
  - vii) the issue price is \$0.018, being the opening price of the Shares on ASX on 21 October 2016.
- c) the Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 8 for the issue of 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 (disposal of main undertaking).
- d) the Company may seek to issue the Equity Securities for the following purposes:
- i) non-cash consideration for the acquisition of new resources, assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
  - ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expenses associated with such acquisitions or investments), continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.
- The Company will comply with the disclosure obligations under Listing Rules 7.1A (4) and 3.10.5A upon issue of any Equity Securities.
- e) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
- i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
  - ii) the effect of the issue of the Equity Securities on the control of the Company;
  - iii) the financial situation and solvency of the Company; and
  - iv) advice from corporate, financial and broking advisers (if applicable).



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

Further, if the Company acquires new assets, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new assets.

If Resolution 8 is approved by Shareholders, the Company may issue Equity Securities under the 10% Placement Facility during the Placement Period as and when the circumstances of the Company require.

- f) the Company previously obtained Shareholder approval under Listing Rule 7.1A at the 2015 Annual General Meeting. The following Equity Securities have been issued during the preceding 12 months:

Number Issued	Class of Security	Issued to	Price	Consideration	Comment
7,000,000	Ordinary Shares	ADN LFESP Pty Ltd	\$0.01	Nil	Issue of Shares under the Company's Loan Funded Employee Share Plan to Executive Directors
464,062	Ordinary Shares	Resource Capital Research Pty Ltd	\$0.016	Nil	Part payment of fees for preparation of research report
2,940,000	Ordinary Shares	ADN LFESP Pty Ltd	\$0.018	Nil	Issue of Shares under the Company's Loan Funded Employee Share Plan to staff
44,416,232	Ordinary Shares	Professional and sophisticated investors	\$0.019	\$816,050	Placement to new investors, including 1,466,232 incentive Shares to participating brokers
18,667	Ordinary Shares	Certain ADN shareholders	\$0.05	\$933	Exercise of listed options and subsequent issue of shares
5,750	Ordinary Shares	Certain ADN shareholders	\$0.05	\$288	Exercise of listed options and subsequent issue of shares

- g) a total of \$817,271 cash has been received through the issue of Equity Securities in the preceding 12 months since the 2015 Annual General Meeting. Over that time approximately \$0.85 million has been spent on exploration activities and \$0.89 million on administration and corporate overheads. The remaining proceeds available, in addition to the opening cash position at the time of the 2015 AGM will predominantly be used to undertake further exploration field activities at the Company's Drummond and Eyre Peninsula projects in addition to meeting ongoing corporate overheads.
- h) a total of 54,844,711 Ordinary Shares have been issued in the 12 months preceding the date of the 2016 Annual General Meeting which represents 14.1% of the total number of Equity Securities on issue at the time of the previous Annual General Meeting.
- i) a voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not formed any specific intention to issue any additional Shares or other securities, and has not approached any particular existing Shareholder or any other person with a view to participating in the issue of the Equity Securities. In these circumstances (and in accordance with Listing Rules 7.1 and 7.1A), for a person's vote to be excluded, it must be known that a person will participate in the proposed issue. Therefore, no existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice of Meeting.

### **Directors' Recommendation**

Resolution 8 is a special Resolution. For a special Resolution to be passed, at least 75% of the votes cast by Shareholders entitled to vote on Resolution 8 must be in favour of this Resolution.

The Board considers that the approval of the issue of the 10% Placement Facility described above is beneficial for the Company as it provides the Company with the flexibility to issue up to the maximum number of securities permitted under Listing Rule 7.1A in the next 12 months (without further Shareholder approval), should it be required. At the date of this Notice, the Company has no plans to use the Placement Facility should it be approved.

Accordingly, the Directors unanimously recommend that Shareholders vote in favour of special Resolution 8 to provide the Company with additional capacity to issue securities. The Chair intends to vote all undirected proxies in favour of Resolution 8.

## **RESOLUTION 9 – APPROVAL OF CHANGE OF COMPANY NAME**

The Company is proposing to change its name from Adelaide Resources Limited to Andromeda Metals Limited.

Under Section 157(1)(a) of the Corporations Act, in order to change the name of a company, shareholders must pass a special resolution adopting the new name. Changing the Company's name will also require several amendments to the Company's Constitution to change references from Adelaide Resources Limited to Andromeda Metals Limited.

The Company recently celebrated its twentieth anniversary of listing on the ASX, which occurred on 11 September 1996. At that time of listing the Company's key assets were situated in central and southern Australia with interests in the Tanami Gold Province in the Northern Territory and the Gawler Craton of South Australia.

Today, exploration efforts of the Company are more directly focused on gold with the reinvigoration of efforts on the Eyre Peninsula, where a gold resource of 107,000 ounces has been announced. The land position in the Queensland Drummond Basin was also increased following the drilling and identification of a number of a highly prospective gold targets.

Additionally the Company has decided to seek either to divest or co-fund with third parties its interest in both the wholly-owned Rover Gold-Copper Project in Tennant Creek and the Moonta Copper-Gold Project in South Australia. Both projects have been a primary focus for Adelaide Resources over the past ten years.

At the time of the Company's listing, Adelaide Resources Limited was considered by the then Board as an appropriate name that defined the Company's origin and geographic focus. Although not wishing to forget those origins, it is the view of the present Board of Directors that the Company needs to rebrand itself in order to reflect its broader asset portfolio and reflect a new beginning.

The committed change in exploration focus and the twentieth anniversary represents the opportunity to both recognise the achievement of the Company having survived for two decades in what has been at times an extremely tough environment for junior exploration companies, and to also present an opportunity to better promote the Company to the wider investor community.

Andromeda Metals Limited has been proposed as the new name for the Company. The name 'Andromeda' comes from the Andromeda Galaxy, being the closest galaxy to our Milky Way Galaxy, and is considered as having a core of metal-rich stars, something for which a company such as ours might aspire to unearth. 'Metals' recognises the fact that although gold is the Company's key focus, other metals may also to be considered within a portfolio not necessarily geographically restricted.

The name has been reserved with the Australian Securities and Investments Commission.

If this resolution is approved, the change of Company name will take effect from 1 January 2017.

### **Directors' Recommendation**

Resolution 9 is a special resolution. For a special resolution to be passed, at least 75% of the votes cast by Shareholders entitled to vote on Resolution 9 must be in favour of the Resolution.

The Directors recommend that Shareholders vote in favour of Resolution 9. The Chair intends to vote undirected proxies in favour of Resolution 9.

# Glossary

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

<b>"ASX"</b>	means ASX Limited ACN 008 624 691 or the securities exchange operated by ASX Limited (as the context requires);
<b>"Board"</b>	means the Board of Directors from time to time.
<b>"Closely Related Party"</b>	of a member of the Key Management Personnel means: <ul style="list-style-type: none"><li>a) a spouse or child of the member;</li><li>b) a child of the member's spouse;</li><li>c) a dependant of the member or of the member's spouse;</li><li>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 dealings with the Company; or</li><li>e) a company that the member controls.</li></ul>
<b>"Company"</b>	means Adelaide Resources Limited (ACN 061 503 375).
<b>"Constitution"</b>	means the constitution of the Company from time to time.
<b>"Corporations Act"</b>	means the Corporations Act 2001 (Cth).
<b>"Directors"</b>	means the Directors of the Company from time to time and "Director" means any one of them.
<b>"Equity Securities"</b>	has the meaning given to that term in the Listing Rules.
<b>"Explanatory Memorandum"</b>	means this explanatory memorandum.
<b>"Key Management Personnel"</b>	means those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any Director (whether executive or otherwise).
<b>"Listing Rules"</b>	means the listing rules of ASX and any other rules of ASX which are applicable while the Company is admitted to the official list of ASX, each as amended or replaced from time to time, except to the extent of any express written waiver by ASX.
<b>"Meeting"</b>	has the meaning given in the introductory paragraph of the Explanatory Memorandum.
<b>"Option"</b>	means an option to subscribe for one fully paid ordinary share in the capital of the Company.
<b>"Related party"</b>	has the meaning given to that term in Section 228 of the Corporations Act.
<b>"Resolution"</b>	means a resolution contained in this Notice of Meeting.
<b>"Share"</b>	means a fully paid ordinary share in the capital of the Company.
<b>"Shareholder"</b>	means a holder of Shares in the Company.
<b>"Trading Day"</b>	means a day determined by ASX to be a trading day in accordance with the Listing Rules.
<b>"VWAP"</b>	means Volume Weighted Average Price of the Company's ASX-listed Shares trading under the code ADN.



## Adelaide Resources Limited

ABN 75 061 503 375

### Lodge your vote:



**Online:**

[www.investorvote.com.au](http://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](http://www.intermediaryonline.com)

### For all enquiries call:

(within Australia) 1300 556 161  
(outside Australia) +61 3 9415 4000

ADN

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Proxy Form

XX



### Vote and view the annual report online

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

### Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I999999999

PIN: 99999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



**For your vote to be effective it must be received by 11:00am (Adelaide Time) Monday 28 November 2016**

### 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 →**

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

☐

**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.



I 9999999999

I ND

## Proxy Form

Please mark ☒ to indicate your directions

### STEP 1

### Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Adelaide Resources 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 Adelaide Resources Limited to be held at The Science Exchange, 55 Exchange Place, Adelaide SA 5000 on Wednesday 30 November 2016 at 11:00am (Adelaide Time) 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 1, 5 & 6** (except where I/we have indicated a different voting intention below) even though **Items 1, 5 & 6** are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**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 1, 5 & 6** 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.

#### ORDINARY BUSINESS

For Against Abstain

1. Adoption of the Remuneration Report for the year ended 30 June 2016

☐ ☐ ☐

2. Re-election of Mr Colin Jackson as a Director

☐ ☐ ☐

#### SPECIAL BUSINESS

3. Ratification of a previous issue of Shares to Resource Capital Research

☐ ☐ ☐

4. Ratification of a previous issue of Shares under a Placement

☐ ☐ ☐

5. Approval of issue of securities to Executive Director - Mr Christopher Drown

☐ ☐ ☐

6. Approval of issue of securities to Executive Director - Mr Nicholas Harding

☐ ☐ ☐

For Against Abstain

7. Amendment of Constitution to remove Minimum Sale Price for Unmarketable Parcels

☐ ☐ ☐

8. Approval of 10% Placement Facility

☐ ☐ ☐

9. Approval of Change of Company Name

☐ ☐ ☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. 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.

### SIGN

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

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact  
Name

\_\_\_\_\_

Contact  
Daytime  
Telephone

\_\_\_\_\_ / /  
Date

ADN

999999A

Computershare +