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**PLYMOUTH MINERALS LIMITED**  
**ACN 147 413 956**  
**NOTICE OF GENERAL MEETING**

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**TIME:** 11.00 am  
**DATE:** 25 November 2016  
**PLACE:** Level 1, 329 Hay Street Subiaco WA

*This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.*

*Should you wish to discuss any of the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6461 6350.*

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## IMPORTANT INFORMATION

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### Time and place of Meeting

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Notice is given that the Meeting will be held at

11.00 am (WST) on 25 November 2016 at:

Level 1, 329 Hay Street Subiaco

### Your vote is important

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The business of the Meeting affects your shareholding and your vote is important.

### Voting eligibility

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The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5.00pm (WST) on 23 November 2016.

### Voting in person

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To vote in person, attend the Meeting at the time, date and place set out above.

### Voting by proxy

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To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
  - the proxy need not be a Shareholder of the Company; and
  - a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.
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Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the chair of the meeting, who must vote the proxies as directed.

Further details on these changes are set out below.

### ***Proxy vote if appointment specifies way to vote***

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has two or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

### ***Transfer of non-chair proxy to chair in certain circumstances***

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
  - the proxy is not recorded as attending the meeting; or
  - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

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## BUSINESS OF THE MEETING

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### AGENDA

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#### 1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2016 together with the declaration of the directors, the director's report, the Remuneration Report and the auditor's report.

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#### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

*“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company’s annual financial report for the financial year ended 30 June 2016.”*

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

**Voting Prohibition Statement:**

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

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

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
  - (i) does not specify the way the proxy is to vote on this Resolution; and
  - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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#### 3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – ADRIAN BYASS

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

*“That, for the purpose of clause 21.3 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Adrian Byass, a Director, retires by rotation, and being eligible, is re-elected as a Director.”*

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#### 4. RESOLUTION 3 – APPROVAL OF 10% PLACEMENT CAPACITY

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

*“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, 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.

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#### 5. RESOLUTION 4 – ISSUE OF OPTIONS TO DIRECTOR – ADRIAN BYASS

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

*“That, for the purposes of Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 1,500,000 Options to Adrian Byass (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Adrian Byass (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, 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.

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if the proxy is the Chair and the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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#### 6. RESOLUTION 5 – ISSUE OF OPTIONS TO DIRECTOR – ERIC LILFORD

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

*“That, for the purposes of Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 750,000 Options to Eric Lilford (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Eric Lilford (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, 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.

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if the proxy is the Chair and the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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**7. RESOLUTION 6 – ISSUE OF OPTIONS TO DIRECTOR – HUMPHREY HALE**

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

*“That, for the purposes of Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 750,000 Options to Humphrey Hale (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Humphrey Hale (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, 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.

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if the proxy is the Chair and the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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**8. RESOLUTION 7 – ISSUE OF OPTIONS TO DIRECTOR – CHRISTIAN CORDIER**

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

*“That, for the purposes of Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 500,000 Options to Christian Cordier (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Christian Cordier (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, 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.

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if the proxy is the Chair and the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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**Dated: 14 October 2016**

**By order of the Board**

**Rob Orr**  
**Company Secretary**

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

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### 1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2016 together with the declaration of the directors, the directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at [www.plymouthminerals.com](http://www.plymouthminerals.com).

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### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

#### 2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

#### 2.2 Voting consequences

Under changes to the Corporations Act which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

### 2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

### 2.4 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

Proxy	Directions given	No directions given
Key Management Personnel <sup>1</sup>	Vote as directed	Unable to vote <sup>3</sup>
Chair <sup>2</sup>	Vote as directed	Able to vote at discretion of Proxy <sup>4</sup>
Other	Vote as directed	Able to vote at discretion of Proxy

**Notes:**

<sup>1</sup> Refers to Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member.

<sup>2</sup> Refers to the Chair (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report), or a Closely Related Party of such a member).

<sup>3</sup> Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

<sup>4</sup> The Proxy Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions.

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### 3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – ADRIAN BYASS

ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third AGM following the director's appointment or 3 year, whichever is the longer. This rule does not apply to the Company's Managing Director.

Clause 21.3 of the Constitution provides that at the Company's annual general meeting in every year, one-third of the Directors, or if their number is not a multiple of 3, then the number nearest one-third, shall retire from office. A retiring Director is eligible for re-election. The Directors to retire are those who have been longest in office since their election. As between persons who became directors on the same date, the directors to retire will be determined by lot.

The Company currently has four Directors and accordingly one must retire.

Adrian Byass, the Director longest in office since his last election, retires by rotation and seeks re-election.

Adrian Byass was appointed as a Director on 3 May 2012 and has served as a Director since that time.

Mr Byass has over 19 year's experience in the mining and minerals industry. This experience has principally been gained through mining, resource estimation, and mine development roles for several gold and nickel mining and exploration companies. Due to his experience in resource estimation and professional association membership, Mr Byass is a competent person for reporting to the ASX for certain minerals.

The Board recommends that Shareholders vote in favour of this Resolution 2.

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## 4. RESOLUTION 3 – APPROVAL OF 10% PLACEMENT CAPACITY– SHARES

### 4.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 3, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in section 4.2 below).

The effect of Resolution 3 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 3 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 3 for it to be passed.

### 4.2 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of approximately \$24,432,700.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has one class of quoted Equity Securities on issue, being the Shares (ASX Code: PLH).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

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

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
  - (i) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
  - (ii) plus the number of partly paid shares that became fully paid in the previous 12 months;

- (iii) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval; and
- (iv) less the number of Shares cancelled in the previous 12 months.

**D** is 10%.

**E** is the number of Equity Securities issued or agreed to be issued under ASX 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 holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

### 4.3 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 3:

**(a) Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in section 4.3(a)(i), the date on which the Equity Securities are issued.

**(b) Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid),

**(10% Placement Capacity Period).**

**(c) Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 3 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the

current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	\$0.095 50% decrease in Issue Price	\$0.19 Issue Price	\$0.285 50% increase in Issue Price
137,684,092 (Current Variable A)	Shares issued - 10% voting dilution	13,768,409 Shares	13,768,409 Shares	13,768,409 Shares
	Funds raised	\$1,307,999	\$2,615,998	\$3,923,997
206,526,138 (50% increase in Variable A)	Shares issued - 10% voting dilution	20,652,614 Shares	20,652,614 Shares	20,652,614 Shares
	Funds raised	\$1,961,998	\$3,923,997	\$5,885,995
275,368,184 (100% increase in Variable A)	Shares issued - 10% voting dilution	27,536,818 Shares	27,536,818 Shares	27,536,818 Shares
	Funds raised	\$2,615,998	\$5,231,995	\$7,847,993

\*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

**The table above uses the following assumptions:**

1. There are currently 137,684,092 existing Shares on issue as at the date of this Notice of Meeting.
2. The issue price set out above is the closing price of the Shares on the ASX on 13 October 2016.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
8. 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%.
9. 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 Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) **Purpose of Issue under 10% Placement Capacity**

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration in which case the Company intends to use funds raised for raised for exploration activities in regards to the Company's projects, and general working capital; or
- (ii) as non-cash consideration for the acquisition of new resource 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.

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) **Allocation policy under the 10% Placement Capacity**

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s).

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

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

(f) **Previous approval under ASX Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 29 October 2015 (**Previous Approval**).

The Company has issued 10,768,409 Shares pursuant to the Previous Approval.

During the 12 month period preceding the date of the Meeting, being on and from 9 October 2016 – 12 months prior to the meeting, the Company issued a total of 91,894,851 Shares, 8,625,000 Options and 25,000,000 Performance Shares which represents approximately 255% of the total diluted number of Equity Securities on issue in the Company on 9 October 2016 – 12 months prior to the meeting, which was 49,250,000.

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

(g) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it must give to ASX:

- (i) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 3.10.5A for release to the market.

#### **4.4 Voting Exclusion**

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 3.

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## **5. RESOLUTIONS 4 – 7 – ISSUE OF OPTIONS TO DIRECTORS**

### **8.1 General**

The Company has agreed, subject to obtaining Shareholder approval, to grant a total of 3,500,000 Options (**Director Options**) to the Directors of the Company, Adrian Byass, Eric Lilford, Humphrey Hale and Christian Cordier (the **Related Parties**), on the terms and conditions set out below.

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

The grant of the Director Options constitutes the giving of a financial benefit, and Messrs Byass, Lilford, Hale and Cordier are related parties of the Company by virtue of being Directors.

In addition, ASX Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

It is the view of the Directors that the exceptions set out in Sections 210 to 216 of the Corporations Act and ASX Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of Director Options to the Related Parties.

## 8.2 Shareholder Approval (Chapter 2E of the Corporations Act and ASX Listing Rule 10.11)

Pursuant to and in accordance with the requirements of Section 219 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to the proposed grant of the Director Options:

- (a) the related parties are Messrs Byass, Lilford, Hale and Cordier and they are related parties by virtue of being directors of the Company;
- (b) the maximum number of Director Options (being the nature of the financial benefit being provided) to be granted to the Related Parties is:
  - (i) 1,500,000 Director Options to Adrian Byass (**Resolution 4**);
  - (ii) 750,000 Director Options to Eric Lilford (**Resolution 5**);
  - (iii) 750,000 Director Options to Humphrey Hale (**Resolution 6**); and
  - (iv) 500,000 Director Options to Christian Cordier (**Resolution 7**);
- (c) the Director Options will be granted to the Related Parties no later than one (1) month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Director Options will be issued on one date;
- (d) the Director Options will be granted for nil cash consideration, accordingly no funds will be raised;
- (e) the terms and conditions of the Director Options are set out in Schedule 2;
- (f) the value of the Director Options and the pricing methodology is set out in Schedule 3;
- (g) the relevant interests of the Related Parties in securities of the Company as at the date of this Notice are set out below:

Related Party	Shares	Performance Shares	Options
Adrian Byass	3,908,500	Nil	2,000,000 <sup>1</sup>
Eric Lilford	3,225,000	3,225,000 <sup>2</sup>	Nil
Humphrey Hale	Nil	Nil	1,000,000 <sup>1</sup>
Christian Cordier	3,225,000	3,225,000 <sup>2</sup>	Nil

<sup>1</sup> Options are exercisable at \$0.14 on or before 24 December 2017.

<sup>2</sup> Comprising 1,935,000 Milestone A Performance Shares and 1,290,000 Milestone B Performance Shares. Refer to the notice of meeting of the Company dated 22 March 2016 for the full terms of the Performance Shares on issue.

- (h) the remuneration and emoluments from the Company for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out below:

Related Party	Current Financial Year	Previous Financial Year
Adrian Byass	147,825	230,550
Eric Lilford	32,850	Nil
Humphrey Hale	30,859	45,360
Christian Cordier	5,200	Nil

<sup>1</sup> Messrs Lilford and Cordier were appointed as Directors on 28 April 2016.

- (i) if the Director Options to be granted to the Related Parties are exercised, a total of 3,500,000 Shares would be issued. This will increase the number of Shares on issue from 137,684,092 to 141,184,092 (assuming that no other Options are exercised and no other Shares are issued) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 2.54%, comprising 1.09% by Adrian Byass; 0.544% by Humphrey Hale and Eric Lilford; 0.36% by Christian Cordier.

The market price for Shares during the term of the Director Options would normally determine whether or not the Director Options are exercised. If, at any time any of the Director Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Director Options, there may be a perceived cost to the Company.

The trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	\$0.30	20 July 2016
Lowest	\$0.06	23 February 2016
Last	\$0.19	13 October 2016

- (j) the primary purpose of the grant of the Director Options to the Related Parties is to provide an incentive component in the remuneration package for the Related Parties to motivate and reward the performance of the Related Parties in their respective roles as Directors;
- (k) Adrian Byass declines to make a recommendation to Shareholders in relation to Resolution 4 due to his material personal interest in the outcome of the Resolution. However, in respect of Resolutions 5, 6 and 7, Adrian Byass recommends that Shareholders vote in favour of those Resolutions for the following reasons:
- (i) the Director Options will align the interests of the Related Parties with those of Shareholders;
  - (ii) the grant of the Director Options is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Parties; and

- (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Director Options upon the terms proposed;
- (l) Eric Lilford declines to make a recommendation to Shareholders in relation to Resolution 5 due to his material personal interest in the outcome of the Resolution. However, in respect of Resolutions 4, 6 and 7, Eric Lilford recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (k);
- (m) Humphrey Hale declines to make a recommendation to Shareholders in relation to Resolution 6 due to his material personal interest in the outcome of the Resolution. However, in respect of Resolutions 4, 5 and 7, Humphrey Hale recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (k);
- (n) Christian Cordier declines to make a recommendation to Shareholders in relation to Resolution 7 due to his material personal interest in the outcome of the Resolution. However, in respect of Resolutions 4, 5 and 6, Christian Cordier recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (k);
- (o) in forming their recommendations, each Director considered the experience of each other Related Party, the current market price of Shares, the current market practices when determining the number of Director Options to be granted as well as the exercise price and expiry date of those Director Options; and
- (p) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 4 to 7.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Director Options to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Director Options to the Related Parties will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

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## GLOSSARY

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**\$** means Australian dollars.

**10% Placement Capacity** has the meaning given in section 4.1 of the Explanatory Statement.

**Annual General Meeting** or **Meeting** means the meeting convened by the Notice.

**ASIC** means the Australian Securities & Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

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

**Board** means the current board of directors of the Company.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

**Chair** means the chair of the Meeting.

**Closely Related Party** of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth).

**Company** means Plymouth Minerals Limited (ACN 147 413 956).

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

**Director Options** means the Options proposed to be issued to the Directors subject to Shareholder approval of Resolution 4 to 7.

**Directors** means the current directors of the Company.

**Eligible Entity** means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

**Equity Securities** includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**General Meeting** or **Meeting** means the meeting convened by the Notice.

**Key Management Personnel** has the same meaning as in the accounting standards and broadly includes 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) of the Company.

**Notice** or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

**Option** means an option to acquire a Share and includes the Director Options.

**Ordinary Securities** has the meaning set out in the ASX Listing Rules.

**Performance Shares** means a performance share in the Company.

**Proxy Form** means the proxy form accompanying the Notice.

**Related Parties** means Adrian Byass, Eric Lilford, Humphrey Hale and Christian Cordier, the Directors of the Company.

**Remuneration Report** means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2016.

**Resolutions** means the resolutions set out in the Notice, or any one of them, as the context requires.

**Section** means a section of this Explanatory Statement.

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

**Shareholder** means a registered holder of a Share.

**Variable A** means "A" as set out in the calculation in section 4.2 of the Explanatory Statement.

**WST** means Western Standard Time as observed in Perth, Western Australia.

## SCHEDULE 1 – ISSUES OF SECURITIES SINCE 9 OCTOBER 2015

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) <sup>1</sup>	Form of consideration
Issue – 15 August 2016 Appendix 3B – 15 August 2016	2,625,000	Unquoted Options <sup>3</sup>	Employees pursuant to the employee incentive scheme approved at the Shareholder meeting held on 28 November 2014	No issue price (non-cash consideration)	Non-cash Consideration: Performance based remuneration for services provided to the Company. Current value <sup>7</sup> = \$324,975
Issue – 8 August 2016 Appendix 3B – 8 August 2016	20,909,090	Shares <sup>2</sup>	Sophisticated investors participating in the placement announced 2 August 2016	\$0.22 (discount of 15.9% to market at date of raise)	Cash Amount raised = \$4,599,999 Amount spent = \$Nil Use of funds= To fund the San Jose project, the Gabon potash project and for general working capital. Amount remaining = \$4,599,999 Proposed use of remaining funds <sup>5</sup> = To fund the San Jose project, the Gabon potash project and for general working capital
Issue – 3 June 2016 Appendix 3B – 2 June 2016	6,000,000	Unquoted Options <sup>4</sup>	Peleton Capital in consideration for corporate services	No issue price (non-cash consideration)	Non-cash Consideration: A corporate advisory fee in relation to completion of the acquisition of the [Insert] Project. Current value <sup>7</sup> = \$537,600
Issue – 28 April 2016 Appendix 3B – 28 April 2016	25,000,000 15,000,000 10,000,000	Shares <sup>2</sup> Milestone A Performance Shares <sup>5</sup> Milestone B Performance Shares <sup>5</sup>	Shareholders of Equatorial Potash Pty Ltd in consideration for the acquisition Equatorial Potash Pty Ltd	No issue price (non-cash consideration)	Non-cash Consideration: Securities issued in consideration for the acquisition of Equatorial Potash Pty Ltd. Current value <sup>5,7</sup> = \$5,025,000
Issue – 28 April 2016 Appendix 3B – 28 April 2016	937,500	Shares <sup>2</sup>	Issue of Shares to Directors in lieu of fees	No issue price (non-cash consideration)	Non-cash Consideration: Remuneration for services provided to the Company. Current value <sup>7</sup> = \$178,125
Issue – 27 April 2016 Appendix 3B – 26 April 2016	36,746,593	Shares <sup>2</sup>	Issue of Shares to sophisticated investors pursuant to a placement	\$0.085 (discount of 15% to market at time of raise)	Cash Amount raised = \$3,123,460 Amount spent = \$Nil Use of funds = To fund the Gabon potash project, and for general working capital. Amount remaining = \$3,123,460 Proposed use of remaining funds <sup>4</sup> = To fund the Gabon potash project and for general working capital.
Issue – 9 October 2015 Appendix 3B – 8 October 2016	8,301,668	Shares <sup>2</sup>	Issue of Shares to sophisticated investors pursuant to a placement	\$0.04 (discount of 0% to market at time of raise)	Cash Amount raised = \$332,067 Amount spent = \$332,067 Use of funds = To fund the proposed acquisition of potash assets and for general working capital. Amount remaining = \$Nil

**Notes:**

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: PLH (terms are set out in the Constitution).
3. Unquoted Options, exercisable at \$0.35 each, on or before 30 October 2019,
4. Unquoted Options, exercisable at \$0.15 each, on or before 2 June 2018.
5. Performance Shares, the full terms and conditions of which were disclosed in Schedule 2 of the notice of meeting for the shareholder meeting held on 21 April 2016. The value is based on the closing price of the Shares on the ASX on the measurement date discounted by the probability of the performance milestones being achieved based on an assessment of risks.
6. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.
7. In respect of quoted Equity Securities the value is based on the closing price of the Shares as the context requires on the ASX on the trading day prior to the date of this Notice. In respect of unquoted Equity Securities the value of Options is measured using the Black & Scholes option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the impact of dilution, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the Option. No account is taken of any performance conditions included in the terms of the Option other than market based performance conditions (i.e. conditions linked to the price of Shares).

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## **SCHEDULE 2 – TERMS OF DIRECTOR OPTIONS**

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The Director Options entitle the holder to subscribe for Shares on the following terms and conditions:

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (k), the amount payable upon exercise of each Director Option will be \$0.35 (**Exercise Price**).

(c) **Expiry Date**

Each Director Option will expire at 5:00 pm (WST) on the date that is three years from the date of issue (**Expiry Date**). Subject to earlier lapse of the Director Options in accordance with paragraph (d), a Director Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Lapse upon ceasing to be a Director**

Notwithstanding paragraph (c), in the event that the holder of the Director Options (or, if the holder is a company or trust, the person who nominated the holder to be the grantee of the Director Options) should cease to be a director of the Company at any time and for any reason on or before the Expiry Date, the Director Options held by that holder will automatically lapse on the first to occur of:

- (i) the Expiry Date; and
- (ii) the date that is three months from the date on which the holder ceased to be a director of the Company.

(e) **Exercise Period**

The Director Options are exercisable at any time on or prior to the date upon which the Director Options lapse under paragraphs (c) or (d) (**Exercise Period**).

(f) **Notice of Exercise**

The Director Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Director Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Director Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(g) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Director Option being exercised in cleared funds (**Exercise Date**).

(h) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Director Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (h)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(i) **Shares issued on exercise**

Shares issued on exercise of the Director Options rank equally with the then issued shares of the Company.

(j) **Quotation of Shares issued on exercise**

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Director Options.

(k) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of a Director Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(l) **Participation in new issues**

There are no participation rights or entitlements inherent in the Director Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Director Options without exercising the Director Options.

(m) **Change in exercise price**

A Director Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Director Option can be exercised.

(n) **Unquoted**

The Company will not apply for quotation of the Director Options on ASX.

(o) **Transferability**

The Director Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws, provided that the transferee shall be subject to these terms including automatic lapse of the Director Options in the event that the grantee of the Director Options ceases to be a director in accordance with paragraph (d).

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## SCHEDULE 3 – VALUATION OF DIRECTOR OPTIONS

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The Director Options to be issued to the Related Parties pursuant to Resolutions 1 to 4 have been independently valued by Stanton International Securities.

Using the Black & Scholes option pricing model and based on the assumptions set out below, the Director Options were ascribed the following value:

<b>Assumptions:</b>	
Valuation date	<i>12 August 2016</i>
Market price of Shares	23 cents
Exercise price	35 cents
Expiry date (length of time from issue)	3 years
Risk free interest rate	1.39%
Volatility (discount)	100%
<b>Indicative value per Director Option</b>	<i>12.38 cents</i>
<b>Total Value of Director Options</b>	\$526,150
Adrian Byass	\$185,700
Eric Lilford	\$92,850
Humphrey Hale	\$92,850
Christian Cordier	\$ 61,900

Note: The valuation noted above is not necessarily the market price that the Director Options could be traded at and is not automatically the market price for taxation purposes.