



ACN: 009 067 476

## NOTICE OF ANNUAL GENERAL MEETING

The 2017 Annual General Meeting of Mount Burgess Mining N.L will be held at the offices of the Company, Unit 8/800 Albany Highway, East Victoria Park, Western Australia 6101, at 3 pm on Thursday 30 November 2017

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### AGENDA

#### BUSINESS

An Explanatory Statement containing information in relation to each of the following Resolutions accompanies this Notice of Annual General Meeting

#### GENERAL BUSINESS

##### Financial Report for the Year ended 30 June 2017

To receive the financial statements, Directors' report and auditor's report for Mount Burgess Mining NL and its controlled entities for the year ended 30 June 2017.

#### ORDINARY RESOLUTIONS

##### 1 - Adoption of Remuneration Report

"That, for the purpose 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 2017."

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

##### Voting Exclusion Statement:

In accordance with section 250R (4) of the Act, no member of the key management personnel of the Company or a closely related party of such a member may vote on Resolution 1.

However, in accordance with the Act, a person described above may vote on Resolution 1 if:

- It is cast by such person as proxy for a person who is permitted to vote, in accordance with the direction specified on the proxy form how to vote; or
- It is cast by the Chairman as proxy for a person who is permitted to vote, in accordance with an express direction specified on the proxy form to vote as the proxy decides.

##### Chairman appointed as proxy:

If the Chairman is appointed as a proxy for a person who is permitted to vote on this Resolution 1, the Chairman will vote any proxies which do not indicate on their proxy form the way the Chairman must vote, in favour of Resolution 1.

##### 2 - Re-election of Director – Mr Jason Stirbinskis

"That, for all purposes, Mr Jason Stirbinskis, who retires in accordance with Listing Rule 14.4 and Clause 13.6 of the Constitution, being eligible and offering himself for re-election be elected as a Director of the Company with immediate effect."

##### 3 – Approval of 10% Placement Facility

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

"that, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 over a 12 month period on the terms and condition set out in the Explanatory Statement."

(The Company will disregard any votes cast on Resolution 3 by a person (and any associates of such a person) who may participate in the 10% Placement Facility and a person (and any associates of such a person) who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed .However, the Company will not disregard a vote if: (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or (b) it is cast by the Chairman of the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.)

#### **4. Approval of issue of 50,000,000 Shares to N R and J E Forrester to convert part debt into equity**

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

"that, for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Act and for all other purposes, approval be given for the Directors to issue 50,000,000 ordinary shares to Nigel and Jan Forrester, on the terms and conditions set out in the Explanatory Statement, at a value of 1 cent per share being 81.82% higher than the 14 August 2017 Share Placement price, for the purpose of extinguishing \$500,000 of a cash loan granted by them to the Company, which at 30 June 2017 amounted to \$1,556,360."

(The Company will disregard any votes cast on Resolution 4 by Nigel Forrester and Jan Forrester or their associates. However the Company need not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) 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

#### **5. Appointment of Auditor**

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

"That Ernst & Young, having been nominated and having consented in writing to act as auditor of the Company, be appointed as auditor of the Company with effect from the close of the Annual General Meeting."

### **OTHER BUSINESS**

#### **Electronic Annual Report**

Shareholders are advised that the Company's 2017 Annual Report is now available in pdf format to view/download at <http://www.mountburgess.com>

#### **Explanatory Statement**

The accompanying Explanatory Statement forms part of this Notice of General Meeting and should be read in conjunction with it.

#### **Proxies**

Please note that:

- (a) a Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company;
- (c) a Shareholder may appoint a body corporate or an individual as its proxy;
- (d) a body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder's proxy; and
- (e) Shareholders entitled to cast two or more votes may appoint two proxies and may specify the proportion of number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms. If a shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, a certificate of appointment of corporate representative should be completed and lodged in the manner specified below.

The Proxy Form (and any Power of Attorney under which it is signed) must be sent or delivered, or sent by facsimile to either the Company's Registered Office (Fax No. 08 9355 1484 – 8/800 Albany Highway, East Victoria Park, Western Australia 6101, or the offices of Advanced Share Registry Services - 150 Stirling Highway, Nedlands, Western Australia 6009. Please note that all Proxy Forms must be received at either of the above addresses not later than 48 hours before the commencement of the meeting - 3 p.m. on 28 November 2017 WST. Any Proxy Form received after that time will not be valid for the scheduled meeting.

#### **Entitlement to vote**

The Board has determined that for the purpose of determining entitlements to attend and vote at the meeting, shares will be taken to be held by the persons who are the registered holders at 3 pm (WST) on 28 November 2017. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

#### **Corporate Representative**

Any corporate Shareholder who has appointed a person to act as its corporate representative at the Annual General Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company or its share registry in advance of the Annual General Meeting or handed in at the Annual General Meeting when registering as a corporate representative.

#### **By Order of the Board of Directors**

A handwritten signature in black ink that reads "Jan Fowler". The signature is written in a cursive style with a horizontal line underneath the name.

**Company Secretary**  
Mount Burgess Mining N.L.  
22 September 2017

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# EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's 2017 Annual General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the resolutions in the accompanying Notice of Annual General Meeting. This Explanatory Statement is intended to be read in conjunction with the Notice of Meeting.

In accordance with the Company's Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2017 together with the declaration of the Directors, the Directors' report, the remuneration report and the auditor's report.

As a Shareholder you are entitled to submit written questions to the auditor prior to the Annual General Meeting provided that the question relates to:

- The content of the auditor's report; or
- The conduct of the audit in relation to the financial report

All written questions must be sent to the Company and may not be sent directly to the auditor. The Company will then forward all questions to the auditor.

The auditor will be attending the Annual General Meeting and will be available to answer questions from Shareholders relevant to:

- The conduct of the audit;
- The preparation and content of the auditor's report;
- The accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- The independence of the auditor in relation to the conduct of the audit.

The auditor will also answer written questions submitted prior to the Annual General Meeting.

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

**Under Resolution 1** the Company is seeking shareholders to vote on an advisory resolution that the Remuneration Report be adopted. Further detailed information is provided under Item 1 of this Explanatory Statement.

**Under Resolution 2** the Company is seeking shareholder approval for the re-election of a director. More details are provided under Item 2 of this Explanatory Statement

**Under Resolution 3** the Company is seeking shareholder approval for a 10% Placement Facility in terms of ASX Listing Rule 7.1A and further details are given under Item 3 of this Explanatory Statement.

**Under Resolution 4** the Company is seeking shareholder approval for the issue of 50,000,000 ordinary shares to Nigel and Jan Forrester at a value of 1 cent per share, being 81.82% higher than the 14 August 2017 Share Placement price, to extinguish \$500,000 of their cash loan to the Company, which loan at 30 June 2017 amounted to \$1,556,360. Full details are given under Item 4 of this Explanatory Statement.

**Under Resolution 5** the Company is seeking shareholder approval for the Appointment of Ernst & Young as auditors of the Company. Having been nominated, Ernst & Young have consented in writing to act as auditors of the Company. Full details are given under Item 5 of this Explanatory Statement.

## 1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

### 1.1 General

The remuneration report of the Company for the financial year ended 30 June 2017 is set out in MTB's 2017 Annual Report which is available on MTB's website: [www.mountburgess.com](http://www.mountburgess.com).

The remuneration report sets out the Company's remuneration arrangements for Directors. The Chairman of the meeting will allow a reasonable opportunity for shareholders to ask questions about, or make comments on, the remuneration report at the meeting. In addition, shareholders will be asked to vote on the remuneration report. The resolution is advisory only and does not bind the Company or its Directors. The Board will consider the outcome of the

vote and comments made by shareholders on the remuneration report at the meeting when reviewing the Company's remuneration policies. Under the Corporations Act 2001, if 25% or more of votes that are cast are voted against the adoption of the remuneration report at two consecutive AGMs, shareholders will be required to vote at the second of those AGMs on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) must go up for re-election.

The Board unanimously recommends that shareholders vote in favour of adopting the Remuneration Report and encourages all shareholders to cast their votes on Resolution 1.

## 1.2 Voting Restrictions where Proxy is Chairman or Key Management Personnel

In accordance with section 250R (4) of the Act, no member of the key management personnel of the Company or a closely related party of such a member may vote on Resolution 1.

However, in accordance with the Act, a person described above may vote on Resolution 1 if:

- It is cast by such person as proxy for a person who is permitted to vote, in accordance with the direction specified on the proxy form how to vote; or
- It is cast by the Chairman as proxy for a person who is permitted to vote, in accordance with an express direction specified on the proxy form to vote as the proxy decides.

### Chairman appointed as proxy:

If the Chairman is appointed as a proxy for a person who is permitted to vote on this Resolution 1, the Chairman will vote any proxies which do not indicate on their proxy form the way the Chairman must vote, in favour of Resolution 1.

## 1.3 Definitions

**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.

**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)*.

**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 2017.

## 2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR JASON STIRBINSKIS

"That, for all purposes, Mr Jason Stirbinskis, who retires by rotation in accordance with Listing Rule 14.4 and Clause 13.3 of the Company's Constitution, being eligible and offering himself for re-election, is re-elected a Director of the Company."

Mr Stirbinskis' brief profile is outlined below:

### **Jason Stirbinskis** **Non-Executive Director**

Mr Stirbinskis was the CEO of Drake Resources while it was active across gold and base metals projects in Africa and Europe. He has also held MD/CEO roles at Phillips River Mining and Central Asia Resources. Mr Stirbinskis has broad and substantial experience across geology, metallurgy/engineering and financial markets both within Australia and internationally. He is a Geologist and holds an MBA.

The Board (other than Mr Stirbinskis) recommends that Shareholders support the resolution re-electing Mr Stirbinskis as a director of the Company.

### 3. RESOLUTION 3 – APPROVAL OF 10% PLACEMENT FACILITY (SPECIAL RESOLUTION)

#### 3.1 General

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

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

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

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

The Company will apply funds raised to administration costs as well as to exploration and resource development activities on its Kihabe Zn/Pb/Ag Project in Western Ngamiland, Botswana.

#### 3.2 Description of Listing Rule 7.1A

##### (a) Shareholder approval

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

##### (b) Equity Securities

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

The Company currently has only one class of quoted Equity Securities on issue being the Ordinary Shares in the Company.

##### (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** represents the number of shares on issue 12 months before the date of issue or agreement:

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

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

**D** is 10%

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

#### **(d) Listing Rule 7.1 and Listing Rule 7.1A**

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

At 29 August 2017, the date of preparation of this Notice, the Company has on issue 314,580,464 Equity Securities. It therefore has a capacity to issue:

- (i) 47,187,069 Equity Securities under Listing Rule 7.1 **subject to approval** being granted by shareholders under Resolution 1 of the General Meeting of the Company to be held on 27<sup>th</sup> September 2017; and
- (ii) 31,458,046 Equity Securities under Listing Rule 7.1A **subject to approval** being granted by shareholders under Resolution 1 of the General Meeting of the Company being held on 27<sup>th</sup> September 2017 and subject to Shareholder approval being granted under this Resolution 3 at the AGM.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer 3.2(c) above).

#### **(e) 10% Placement Period**

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

- (i) the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained; or
- (ii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking), or such longer period if allowed by ASX.

### **3.3 Listing Rule 7.1A**

The effect of Resolution 3 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 15% placement capacity under Listing Rule 7.1.

Resolution 3 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).

### **3.4 Specific information required by Listing Rule 7.3A**

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

(a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days on which trades in that class were recorded immediately before:

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

(b) If Resolution 3 is approved by shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing shareholders' voting power in the Company will be diluted as shown in Table 1 below. There is a risk that:

- (i) the market price of the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset, which may have an effect on the amount of funds raised by the issue of the Equity Securities.

Table 1 shows the risk of economic and voting the dilution of existing Shareholders on the basis of the market price of the Shares as at the preparation of this Notice of Annual General Meeting (29 August 2017) and the 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.

Table 1 also shows:

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

**Table 1**

Variable “A” in Listing Rule 7.1A.2		Dilution		
		\$0.004 50% decrease in issue price	\$0.008 issue price	\$0.016 100% increase in issue price
314,580,464 Current Variable A	10% Voting Dilution	31,458,464 shares	31,458,464 shares	31,458,464 shares
	Funds Raised	\$125,834	\$251,668	\$503,335
471,870,696 50% increase in Current Variable A	10% Voting Dilution	47,187,069 shares	47,187,069 shares	47,187,069 shares
	Funds Raised	\$188,748	\$377,496	\$754,993
629,160,928 100% increase in Current Variable A	10% Voting Dilution	62,916,092 shares	62,916,092 shares	62,916,092 shares
	Funds Raised	\$251,664	\$503,328	\$1,006,657

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 Listed Options (including any Listed Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities;
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder’s holding at the date of the Meeting.
- (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Listed Options, it is assumed that those Listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- (vii) The issue price is \$0.008, being the closing price of the Shares on ASX as of 29 August 2017, the date of preparation of this notice.

(c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 3 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (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 the exploration and resource development activities at its existing project and/or for acquisition of new assets or investments (including expenses associated with such acquisition) and 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.

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, a 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 is successful in acquiring new resource assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new resource assets or investments.

(e) The Company was previously granted approval for a 10% Placement Facility under LR7.1A at its Annual General Meeting held on 30 November 2016.

In accordance with LR7.3A.6, the Company provides the following information:

LR7.3A.6(a).

- The total number of equity securities issued in the 12 months preceding the date of the meeting amounted to 104,115,237 representing 33% of the total number of Equity Securities on issue. These were issued under LR7.1, the 15% placement facility, LR7.1.A, the 10% placement facility and in compliance with Listing 10.11.

LR7.3A.6(b).

- The 104,115,237 ordinary shares were made in five separate issues.
- The above shares were issued as fully paid ordinary shares, ranking equally with existing shares. Quotation on the ASX was sought and obtained.
- 91,024,329 of shares were issued to Sophisticated and Professional Investors as shown in Table 2 below and none of those allottees were related parties.
- The remaining 13,090,908 shares were issued in compliance with Listing Rule 10.11 to Directors of the Company as a salary/fee sacrifice.

**Table 2**

Date	Applicant	Shares applied for LR7.1 (15%)	Shares applied for LR7.1A (10%)	Shares issued in compliance with LR10.11	Price (\$)	Discount to market price	Cash consideration \$
October 2016	Sophisticated and Professional Investors	26,933,335			0.015	10%	404,000
May 2017	Sophisticated and Professional Investors	4,636,449	21,000,000		0.008	nil	205,091

Date	Applicant	Shares applied for LR7.1 (15%)	Shares applied for LR7.1A (10%)	Shares issued in compliance with LR10.11	Price (\$)	Discount to market price	Cash consideration \$
June 2017	Directors (related parties)			13,090,908	0.055	nil	nil
August 2017	Sophisticated and Professional Investors	38,454,545*			0.055	nil	211,500
	<b>TOTAL</b>	<b>70,024,329</b>	<b>21,000,000</b>	<b>13,090,908</b>			
*Ratification of this issue being sought under Resolution 1 at the General Meeting to be held on 27 September 2017							

(f) A voting exclusion statement is included in the Notice of Meeting. At the date of the Notice of Meeting, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

#### 4. RESOLUTION 4 – APPROVAL OF ISSUE OF SHARES TO N R AND J E FORRESTER TO CONVERT DEBT INTO EQUITY

##### 4.1 Background

On 15 May 2013, the Company announced that on the basis that it had not conducted a Feasibility Study on its Kihabe Zn/Pb/Ag project, the Minister for Minerals Energy and Water Resources (MMEWR), Botswana, rejected the Company's Application for Extension of Prospecting Licence PL 69/2003, which contained the Kihabe project. The Company was not able to complete a Feasibility Study on the project because it was not able to rely upon the provision of grid power, previously assured by MMEWR to be available by the end of 2012.

On 10 November 2015, the Company announced that the Chamber of Mines, Botswana had approached MMEWR to consider allowing the Company to apply for a new Prospecting Licence over the Kihabe project.

On 28 January 2016, the Company announced that it had been granted a new Prospecting Licence PL 43/2016, over the Kihabe project.

During this thirty-three month period from 15 May 2013 to 28 January 2016, the Company was in litigation with MMEWR in the High Court and the Appeal Court of Botswana and not having a project as a basis upon which it could continue to raise funds, the Company was only able to raise \$157,000 from its long term supportive shareholders.

During this period the existence of the Company mainly depended upon unsecured loan funding from its Directors and their associates, a large proportion of which was extended by Nigel and Jan Forrester. As at 30 June 2017 their unsecured loan (including interest) stood at \$1,556,360.

A summary of how the loan is made up is shown below.

Date	Amount Advanced/(Repaid) \$	Balance \$
<b>2011</b>		
August	20,000	20,000
September	10,000	30,000
December	(2,500)	27,500
<b>2013</b>		
October	(8,000)	19,500
November	(3,000)	16,500

<b>Date</b>	<b>Amount Advanced/(Repaid) \$</b>	<b>Balance \$</b>
<b>2014</b>		
January	(3,000)	13,500
February	(1,000)	12,500
March	(2,000)	10,500
April	954,632	965,132
May	18,000	983,132
June	15,500	998,632
July	33,000	1,031,632
August	13,000	1,044,632
September	7,000	1,051,632
October	13,000	1,064,632
November	10,000	1,074,632
December	45,000	1,119,632
<b>2015</b>		
January	33,000	1,152,632
February	31,500	1,184,132
March	17,550	1,201,682
April	12,700	1,214,382
May	9,500	1,223,882
June	14,500	1,238,382
July	27,500	1,265,882
August	43,500	1,309,382
September	4,000	1,313,382
October	5,500	1,318,882
November	1,200	1,320,082
December	16,600	1,336,682
<b>2016</b>		
January	23,000	1,359,682
February	4,500	1,364,182
March	7,000	1,371,182
April	(6,000)	1,365,182
June	(1,000)	1,364,182
July	9,700	1,373,882
August	(9,700)	1,364,182
September	(3,000)	1,361,182
October	(3,000)	1,358,182
November	(12,000)	1,346,182
December	(7,200)	1,338,982
<b>2017</b>		
January	(6,000)	1,332,982
March	(5,000)	1,327,982
April	(5,000)	1,322,982
May	(12,000)	1,310,982
June	(5,000)	1,305,982
<b>Loan Interest</b>		
Agreed interest of 4% over bank prime rate over the period of variable loan amounted to <b><u>\$250,378</u></b> to 30 June 2017		
<b>Total loan plus interest as at 30 June 2017</b>		<b>1,556,360</b>

Loan repayments can only be made as and when the Company has sufficient funds to do so without affecting going concern.

The Company wishes to implement debt repayment by issuing shares on a basis that is equitable to both its shareholders and Directors and their associates, in order to preserve the Company's cash reserves and present a stronger Balance Sheet, so as to facilitate the potential to raise further funds.

The Board of the Company together with Nigel and Jan Forrester have agreed, subject to shareholder approval, to convert \$500,000 of the \$1,556,360 loan, by issuing 50,000,000 shares to Nigel and Jan Forrester at a value of 1 cent per share, being 81.82% higher than the 14 August 2017 Share Placement price.

The share trading history of MTB shares over the last ten days of trades prior to the preparation of this Notice of Meeting compares the proposed issue price of 1 cent (premium of 81.82%) with these trades.

<b>Date</b>	<b>Last Trade Price</b>	<b>Premium of loan conversion to equity at proposed value of 1 cent per share compared to share trades</b>
13 July 2017	0.5 of a cent	100.00%
14 July 2017	0.6 of a cent	66.67%
3 August 2017	0.5 of a cent	100.00%
7 August 2017	0.5 of a cent	100.00%
15 August 2017	0.7 of a cent	42.86%
18 August 2017	0.6 of a cent	66.67%
21 August 2017	0.7 of a cent	42.86%
22 August 2017	0.7 of a cent	42.86%
24 August 2017	0.7 of a cent	42.86%
29 August 2017	0.8 of a cent	25.00%

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.

In addition, ASX Listing Rule 10.11 also 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. Listing Rule 10.13.3 requires the shares to be issued within one month after the date of approval by Shareholders in General Meeting.

The issue of the shares to the Related Parties requires the Company to obtain Shareholder approval because the conversion of part of a loan as equity to a Director and his wife constitutes the giving of a financial benefit.

The Company therefore seeks Shareholder approval to issue shares to Nigel and Jan Forrester pursuant to Listing Rule 10.11.

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

Pursuant to and in accordance with the requirements of Sections 217 to 227 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to the proposed grant of Shares:

(a) the Related parties are Nigel and Jan Forrester . Nigel Forrester is a related party by virtue of being a Director of the Company. Jan Forrester is his wife and Company Secretary of Mount Burgess Mining NL. Jan Forrester is also a Director of Mount Burgess (Botswana) (Proprietary) Ltd, the title holder to the Kihabe project.

(b) the maximum number of Shares (being the nature of the financial benefit being provided) to be issued under this approval to N R and J E Forrester, the Related Parties, is 50,000,000 shares. The fully paid ordinary shares will be issued at a value of 1 cent per share, being 81.82% higher than the 14 August 2017 Share Placement price.

(c) The trading history of the shares on ASX in the 12 months before the preparation of this Notice of Annual General Meeting is set out below:

**Price**

Highest	2.3 cents on 4 October 2016
Lowest	0.4 of a cent on 15 June 2017
Last	0.8 of a cent on 29 August 2017

(d) As at 29 August 2017, the date of preparation of this Notice of Meeting and Explanatory Statement, the Company's issued share capital stands at 314,580,464 shares. If approval is given by Shareholders for the issue of shares to be granted in accordance with Resolution 4 then the following would apply.

Share Price	Number of Shares to be issued to NR & J E Forrester	Value of Loan that will be repaid \$	Number of shares to be held by NR and JE Forrester	% of Shares to be held by NR and JE Forrester	% Dilution to Existing Shareholders
1 cent	50,000,000	500,000	59,988,788	16.45	13.72

(e) the Shares will be issued to the Related Parties no later than one month after the date of the Annual General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Shares will all be issued on one date;

(f) The shares are being issued to convert \$500,000 of a cash loan of \$1,556,360 to the Company by N R and J E Forrester as equity. As such the Shares will be granted for nil cash consideration, and no funds will be raised;

(g) the Shares issued will be fully paid ordinary shares in the capital of the Company and issued on the same terms as the Company's existing shares;

(h) the relevant interests of the Related Parties in the securities of the Company are set out below:

The proposed grantees' **current** shareholdings in the Company **including any associate** are listed below.

**Fully Paid Ordinary Shares**

NR and J E Forrester and Associates 9,988,788

(i) the remuneration from the Company to the Related Parties for the financial year to 30 June 2017 is set out below:

Related Party	Approved Fees/Salary p.a. (\$)	Paid to 30 June 2017	Paid/salary sacrifice to 31 December 2016
Mr N R Forrester	210,603	NIL *	
Ms J Forrester as Company Secretary of Mount Burgess	44,000	NIL *	
Ms J Forrester as Director of Mount Burgess (Botswana) (Proprietary) Ltd	12,000		2,181,818 shares issued in lieu of director's fees and approved in General Meeting on 28 June 2017.

\*The salaries, annual leave, superannuation and long service leave as shown for N R Forrester and J Forrester were not paid during the year. They are shown as an accrual in the Company's financial statements.

Any further issue of shares by the Company after the release of this Notice but prior to the holding of the Company's Annual General Meeting will affect the above percentages of issued share capital held by NR and JE Forrester.

As at 29 August 2017, the date of preparation of this Notice of Meeting and Explanatory Statement and assuming Resolution 1 is approved at the General Meeting of the Company to be held on 27 September 2017, the Company has the availability to issue up to a further 47,187,069 if required, under Listing Rule 7.1.

Any such further issue of shares would add to the above 314,580,464 shares on issue as at 29 August 2017 to form the basis upon which to calculate the percentage of N R and JE Forrester's shareholdings outlined in 4.2.(d) above.

(j) The purpose of the issue of the Shares to Nigel and Jan Forrester as related parties is to reduce their loan funding to the Company and its subsidiaries in their respective roles as Directors.

(k) The Board does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Shares upon the terms proposed.

(l) The Board considers the grant of shares to the related parties is reasonable in the circumstances, given the necessity to maintain the Company's cash reserves and strengthen the Company's Balance Sheet.

(m) The Company will not be subject to Fringe Benefits Tax or be liable for additional taxes in the event Resolution 4 is approved and the relevant Shares issued.

(n) Nigel and Jan Forrester decline to make a recommendation to Shareholders in relation to Resolution 4, due to their interest in the outcome of the Resolution.

(o) The other Directors who do not have a material interest in the outcome of Resolution 4 recommend that Shareholders vote in favour of Resolution 4 as the passing of this Resolution will preserve the Company's cash reserves and present a stronger Balance sheet so as to facilitate the potential to raise further funds. The Board, excluding Nigel Forrester, 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 the Resolution.

## **5. RESOLUTION 5 – NOMINATION OF AUDITOR**

**Resolution 5** is conditional on ASIC's consent to the resignation of BDO Audit (WA) Pty Ltd and the Company anticipates that this consent will be given before the date of the Annual General Meeting. Upon receipt of ASIC's consent to the resignation, it is expected that BDO Audit (WA) Pty Ltd will submit its resignation as auditor to the Company in accordance with Section 329(5) of the Corporations Act.

The Company has received notice in writing from a shareholder nominating Ernst & Young to be appointed as the Company's auditor in accordance with section 328B(1) of the Corporations Act. A copy of the nomination is shown as Annexure A in this Explanatory Statement.

If Resolution 5 is passed, the appointment of Ernst & Young as the Company's auditor will take effect from the close of Annual General Meeting.

If BDO Audit (WA) Pty Ltd does not obtain ASIC approval and resign on the date of the Annual General Meeting, the Company will not put Resolution 5 to Shareholders but intends to appoint Ernst & Young as its auditor under section 327C(1) of the Corporations Act once ASIC approval is obtained and BDO Audit (WA) Pty Ltd has resigned.

Subject to receipt of ASIC's consent and approval by Shareholders, the appointment of Ernst & Young will be effective for the 2017 financial year.

The Board unanimously recommends that Shareholders vote in favour of Resolution 5.

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**Nigel Forrester**

10B Edgar Way, Mount Pleasant, 6153 Western Australia

16 August 2017

The Secretary  
Mount Burgess Mining NL  
8/800 Albany Highway  
East Victoria Park  
Western Australia 6101

Dear Ms Chau

For the purposes of Section 328B(1) of the Corporations Act 2001, I, Nigel Forrester, being a member of **Mount Burgess Mining NL** hereby nominate Ernst & Young as auditor of the Company to take effect at the conclusion of the Company's the Annual General Meeting anticipated to be held on 30 November 2017.

Yours sincerely

A handwritten signature in black ink, appearing as a dense, circular scribble with several overlapping loops and lines extending outwards.

**Nigel Forrester**

## SHAREHOLDER PROXY FORM

### LODGE YOUR FORM

- By Mail: Company Secretary  
 C/o Advanced Share Registry Services  
 P O Box 1156  
 Nedlands, Western Australia 6909
- By Fax : +61 8 9355 1484
- All enquiries to: +61 8 9355 0123

Proxy forms will only be valid and accepted by Mount Burgess Mining N.L. if they are signed and received no later than 48 hours before the meeting i.e. by 3.00 pm on Tuesday 28 November 2017. **PLEASE READ VOTING INSTRUCTIONS OVERLEAF BEFORE MARKING ANY BOX**

### STEP 1 APPOINTMENT OF PROXY

I/We being a member(s) of the Company and entitled to attend and vote at the Meeting hereby:  
 appoint the Chairman of the meeting

**OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the Person or body corporate (excluding the registered Shareholder) you are appointing as your proxy here

→

Or failing the person/body corporate named, or if no person/body corporate is named, the Chair or the Chair's nominee of the meeting, as my/our proxy and to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at 3 pm on Thursday 30 November 2017, at the Registered Office of the Company 8/800 Albany Highway, East Victoria Park, and at any adjournment or postponement of the meeting.

**Chair of the Meeting authorised to exercise undirected proxies on Resolution 1** (Approval of Remuneration Report): If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolution 1, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of Resolution 1 even though this resolution is in relation to the Remuneration Report and connected with the remuneration of Key Management Personnel of the Company, including the Chair.

The Chair of the Meeting intends to vote all undirected proxies in favour of all resolutions **other than Resolution 4**. This item relates to the giving of a financial benefit to a related party and the Chair of the Meeting being the related party in question is excluded from voting any undirected proxies in any manner in respect of Resolution 4.

If you have appointed the Chair of the Meeting as your proxy (or the Chair of the Meeting becomes your proxy by default), and you wish to give the Chair specific voting directions on an item, you should mark the appropriate box opposite those items in Step 2 below (directing the Chair to vote for, against or to abstain from voting).

### STEP 2 VOTING DIRECTIONS FOR YOUR PROXY

Please place an 'X' in the appropriate voting box below to indicate your directions.

#### Ordinary Business

	For	Against	Abstain
Resolution 1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Re-election of Director – Mr Jason Stirbinskis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Approval of 10% Placement Facility ( <b>Special Resolution</b> )	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Approval of Issue of Shares to N R and J E Forrester to convert debt to equity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of all Resolutions **with the exception of Resolution 4**.

Ⓛ If you mark the Abstain box for a particular item of business, your votes will not be counted in computing the required majority on a poll.

### STEP 3 SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

(Individual) or Joint Shareholder 1

Shareholder 2

Shareholder 3

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the Shareholder. If a joint holding, any of the Shareholders may sign. If signed by the Shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the Company's constitution and *the Corporations Act 2001* (Cth).

## HOW TO COMPLETE THIS PROXY FORM

### Appointment of Proxy – STEP 1

If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in the space provided in STEP 1. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the Company. A proxy may be an individual or a body corporate.

### Votes on Resolutions – STEP 2

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

The Chairman of the meeting may exercise the proxy in relation to Resolution 1 even though the resolution is connected with remuneration of members of Key Management Personnel. **The Chairman of the meeting intends to vote undirected proxies in favour of Resolutions 1,2,3 and 5.**

Key Management Personnel of Mount Burgess Mining N.L. are the Directors and those persons having authority and responsibility for planning, directing and controlling the activities of Mount Burgess Mining N.L., directly or indirectly. The Remuneration Report identifies Mount Burgess Mining N.L.'s Key Management Personnel for the financial year to 30 June 2017. Their closely related parties are defined in the Corporations Act 2001 (Cth), and include certain of their family members, dependants and companies they control.

If you mark the Abstain box for a particular item of business, your votes will not be counted in computing the required majority on a poll.

### Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares the proxy appointed by that form may exercise. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together.

### Signing Instructions – STEP 3

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

**Individual:** where the holding is in one name, the holder must sign

**Joint Holding:** where the holding is in more than one name, all the shareholders should sign

**Power of Attorney:** to sign under Power of Attorney, you must have already lodged the Power of Attorney with the Company's Share Registry. If you have not previously lodged this document for notation, 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* (Cth)) 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 indicate the office held by signing in the appropriate place.

### Corporate Representatives

If a representative of the corporation is to attend the meeting a "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the instructions set out in the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry.

## STEP 4 - Lodgement of your Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by 3.00 pm WST on Tuesday 28 November 2017, being not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Voting Forms may be lodged as follows:

-  By Mail: Company Secretary  
C/o Advanced Share Registry Services  
PO Box 1156.  
NEDLANDS WA 6909
- OR to: Company Secretary  
Mount Burgess Mining N.L.  
8/800 Albany Highway  
EAST VICTORIA PARK WA 6101
-  By Fax: +61 9355 1484
-  By Hand: delivering it to Advanced Share Registry Services, 150 Stirling Highway, Nedlands, WA 6009.  
OR to: the Company's Registered Office, Unit 8, Level 1, 800 Albany Highway, East Victoria Park, WA, 6101

If you would like to attend and vote at the Annual General Meeting, please bring this form with you.  
This will assist in registering your attendance.