
AURA ENERGY LIMITED

ACN 115 927 681

NOTICE OF GENERAL MEETING

TIME: 6.00pm (AEST)

DATE: Wednesday, 10 June 2015

PLACE: Level 1, 19-23 Prospect Street, Box Hill, Victoria 3128

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 the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 3 9890 1744.

CONTENTS

Business of the Meeting (setting out the proposed Resolutions)	3
Explanatory Statement (explaining the proposed Resolutions)	10
Glossary	26
Schedule 1 – Terms and Conditions of Placement Options and SPP Options	28
Schedule 2 – Terms and conditions of Adviser Options	30
Schedule 3 – Terms and conditions of Tranche 1 Related Party Options	32
Schedule 4 – Terms and conditions of Tranche 2 Related Party Options	36
Schedule 5 – Summary of Employee Share Plan	40

IMPORTANT INFORMATION

Time and place of Meeting

Notice is given that the Meeting will be held at 6.00pm (AEST) on Wednesday, 10 June 2015 at:

Level 1, 19-23 Prospect Street, Box Hill, Victoria 3128

Your vote is important

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

Voting eligibility

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 7.00pm (AEST) on 8 June 2015.

Voting in person

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

Voting by proxy

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 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 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.

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, 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 (ie as directed); and
- if the proxy has 2 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 (ie 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 (ie 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.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF SHARES TO CONSULTANTS

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 355,104 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. 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.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE – PLACEMENT SHARES

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 40,762,340 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. 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.

3. RESOLUTION 3 – ISSUE OF PLACEMENT OPTIONS

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 20,381,170 Options 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 proposed issue 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 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.

4. RESOLUTION 4 – SHARE PURCHASE PLAN OFFER WITH OPTIONS

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

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 40,000,000 SPP Shares and up to 20,000,000 SPP Options to Shareholders who successfully apply for SPP Shares under the Company’s Securities Purchase Plan, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: (In the absence of a waiver being granted by ASX under Listing Rule 7.3.8 to permit any person who has an interest in Resolution 4 and ordinarily excluded from voting on Resolution 4 to vote), the Company will disregard any votes cast on this Resolution by a person who may participate in the proposed issue 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 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.

If ASX grant the aforementioned waiver, the Company will advise by ASX announcement prior to the date of the Meeting.

5. RESOLUTION 5 – ISSUE OF OPTIONS TO CORPORATE ADVISER

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 12,500,000 Options to Zenix Nominees Pty Ltd (or their nominee), a wholly owned subsidiary of Hartleys Limited 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 proposed issue 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 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.

6. RESOLUTION 6 – ISSUE OF SHARES TO CORPORATE ADVISER

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 1,055,174 Shares to Zenix Nominees Pty Ltd (or their nominee), a wholly owned subsidiary of Hartleys Limited, 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 proposed issue 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 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.

7. RESOLUTION 7 – ISSUE OF OPTIONS TO RELATED PARTY IN ACCORDANCE WITH EMPLOYMENT AGREEMENT – MR PETER REEVE

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

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 35,000,000 Options to Mr Peter Reeve (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

ASX Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mr Peter Reeve (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:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

8. RESOLUTION 8 – ADOPTION OF EMPLOYEE SHARE PLAN

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

“That, for the purposes of ASX Listing Rule 7.2 (Exception 9(b)) and for all other purposes, approval is given for the Company to adopt an employee incentive scheme titled Aura Energy Limited Employee Share Plan and for the issue of securities under that Plan, 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 Director, other than any Directors who are ineligible to participate in any employee incentive scheme in relation to the Company, and any associates of those Directors. 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:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

9. RESOLUTION 9 – ISSUE OF SHARES TO RELATED PARTY IN ACCORDANCE WITH EMPLOYMENT AGREEMENT – MR PETER REEVE

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

“That, subject to the passing of Resolution 8, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to remunerate Mr Peter Reeve, as part of his Employment Agreement, up to 2,650,000 Shares to Mr Peter Reeve (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by any Director who is eligible to participate in the employee incentive scheme in respect of which approval is sought and, if ASX has expressed an opinion under rule 10.14.3 that approval is required for participation in an employee incentive scheme by anyone else, that person, and any associates of those Directors. 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:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

10. RESOLUTION 10 – ISSUE OF SHARES TO RELATED PARTY IN LIEU OF CASH PAYMENT FOR DIRECTOR FEES AND SALARY – DR ROBERT BEESON

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

“That, subject to the passing of Resolution 8, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to 2,532,213 Shares to Dr Robert Beeson (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by any Director who is eligible to participate in the employee incentive scheme in respect of which approval is sought and, if ASX has expressed an opinion under rule 10.14.3 that approval is required for participation in an employee incentive scheme by anyone else, that person, and any associates of those Directors. 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 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:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

11. RESOLUTION 11 – ISSUE OF SHARES TO RELATED PARTY IN LIEU OF CASH PAYMENT FOR DIRECTOR FEES – MR PETER REEVE

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

“That, subject to the passing of Resolution 8, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to 914,866 Shares to Mr Peter Reeve (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by any Director who is eligible to participate in the employee incentive scheme in respect of which approval is sought and, if ASX has expressed an opinion under rule 10.14.3 that approval is required for participation in an employee incentive scheme by anyone else, that person, and any associates of those Directors. 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:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

12. RESOLUTION 12 – ISSUE OF SHARES TO RELATED PARTY IN LIEU OF CASH PAYMENT FOR DIRECTOR FEES – MR JULIAN PERKINS

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

“That, subject to the passing of Resolution 8, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to 3,401,654 Shares to Mr Julian Perkins (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by any Director who is eligible to participate in the employee incentive scheme in respect of which approval is sought and, if ASX has expressed an opinion under rule 10.14.3 that approval is required for participation in an employee incentive scheme by anyone else, that person, and any associates of those Directors. 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:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

13. RESOLUTION 13 – ISSUE OF SHARES TO RELATED PARTY IN LIEU OF CASH PAYMENT FOR DIRECTOR FEES – MR BRETT FRASER

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

“That, subject to the passing of Resolution 8, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to 2,590,944 Shares to Mr Brett Fraser (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by any Director who is eligible to participate in the employee incentive scheme in respect of which approval is sought and, if ASX has expressed an opinion under rule 10.14.3 that approval is required for participation in an employee incentive scheme by anyone else, that person, and any associates of those Directors. 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:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

14. RESOLUTION 14 - SECTION 195 APPROVAL

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

“That, subject to the passing of Resolutions 10 to 13, for the purposes of Section 195(4) of the Corporations Act and for all other purposes, Shareholders approve and authorise the Company to complete the transactions as contemplated in this Notice of Meeting.”

Dated: 1 May 2015
By order of the Board



Stan Zillwood
Company Secretary

EXPLANATORY STATEMENT

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.

1. BACKGROUND TO THE CAPITAL RAISING

On 13 April 2015, the Company announced a capital raising comprising:

- (a) a placement to raise up to \$1 million (**Placement**); and
- (b) an offer to Existing Shareholders via a Securities Purchase Plan to raise up to \$1,000,000 (**SPP Offer**),

(together, the **Capital Raising**).

The Company is seeking to raise up to a total of \$2,019,059 (before transaction costs) under the Capital Raising. The funds raised will be applied to progressing the Definitive Feasibility Study into the high-grade and low-cost Tiris Uranium Project. As announced, this funding maintains the timeline for the project development which could see construction commence near the end of 2016.

The Company issued a total of 40,762,340 Shares (**Placement Shares**) on 23 April 2015 at an issue price of \$0.025 per Share under the Placement to sophisticated and professional investors. The terms of the Placement provide that one (1) free attaching quoted Option is issued for every two (2) Shares subscribed for (**Placement Options**).

The Placement Shares were issued under the Company's annual placement capacity. Resolution 2 seeks ratification of the Placement Shares. Resolution 3 seeks Shareholder approval for the issue of the Placement Options.

In addition, as the Company will seek quotation of the Placement Options, the Company will offer the Placement Options under a prospectus (**Prospectus**).

In conjunction with the Placement, the Company is providing an opportunity for Eligible Shareholders to participate in raising up to a further \$1 million via a Securities Purchase Plan. Under the SPP Offer, Eligible Shareholders may each apply for up to \$15,000 of new Shares at an issue price of \$0.025 together with one (1) free attaching Option for every two (2) Shares subscribed for and issued, consistent with the Placement.

Shares and Options not taken up pursuant to the SPP Offer (**Shortfall Securities**) will form the shortfall (**Shortfall SPP Offer**). Eligible Shareholders may participate in the Shortfall SPP Offer. However, the Directors reserve the right to issue at their discretion any Shortfall Securities under the Shortfall SPP Offer.

Resolution 4 seeks shareholder approval for the issue of the SPP Shares and SPP Options (which successful applicants for SPP Shares apply for under the terms of the SPP Offer). The approval sought under Resolution 4 includes approval for the issue of the Shortfall Securities.

The Company has engaged the services of Hartleys Limited (ACN 104 195 057) (**Hartleys**), a licensed securities dealer (AFSL 230052) and has entered into a capital raising and corporate advisory mandate with Hartleys whereby Hartleys will assist the Company through the provision of corporate advice and capital raising services to meet its funding requirements and to progress towards the

development of the Company's projects and achieving other goals as they arise from time to time (**Mandate**).

The Company will pay Hartleys a capital raising fee of 6% (exclusive of goods and services tax) of the amount subscribed under a capital raising. The Company will also pay Hartleys a monthly advisory fee of \$10,000 (**Advisory Fee**). However, until such time as Hartleys has assisted the Company to raise not less than \$1.5 million in aggregate during the term of the Mandate (**Performance Milestone**) the Company will issue Hartleys subsidiary Zenix Nominees Pty Ltd \$10,000 worth of the Company's Shares per month at the VWAP for the preceding month in lieu of the Advisory Fees. The Company is seeking Shareholder approval for the issue of 1,055,174 Shares in lieu of outstanding Advisory Fees for the months of December 2014 and January and February 2015 (refer to Resolution 6).

In addition, the Company has agreed to issue to Hartleys (subject to obtaining Shareholder approval) up to 12,500,000 Options for corporate advisory services provided to the Company which shall vest upon the satisfaction of the Performance Milestone (refer to Resolution 5) the Options are exercisable at \$0.07 each at any time over a 3 year period from date of vesting.

2. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF SHARES TO CONSULTANTS

2.1 General

On 5 December 2014, the Company issued 240,146 Shares to Mr John Wilson and 114,948 Shares to Mr William Goodall (**Consultants**) (being a total of 355,104 Shares) in settlement of their fees (**Consultant Shares**) which was calculated based on the average monthly VWAP for the period of the work performed.

Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Consultant Shares.

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

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

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

2.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 1:

- (a) a total of 355,104 Shares were issued (240,146 Shares were issued to John Wilson and 114,948 Shares were issued to William Goodall);

- (b) the deemed issue price per Share for the issue to John Wilson was \$0.04144 and the deemed issue price per Share for the shares issued to William Goodall was \$0.03578;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to Messrs Wilson and Goodall who are not related parties of the Company; and
- (e) no funds were raised from this issue as the Shares were issued in consideration for services provided by the Consultants.

3. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE – PLACEMENT SHARES

3.1 General

The Company issued the Shares the subject of the Placement without prior Shareholder approval out of its 15% annual placement capacity, however, the issue of the Options under the Placement remains subject to Shareholder approval (and is the subject of Resolution 3).

Resolution 2 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Shares under the Placement.

A summary of ASX Listing Rule 7.1 and 7.4 is set out in Section 2.1 above.

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

3.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 2:

- (a) 40,762,340 Shares were issued;
- (b) the issue price per Share was \$0.025;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to sophisticated and professional investors. None of these subscribers are related parties of the Company; and
- (e) the Company intends to use the funds raised from this issue to progress the Company's Tiris Uranium Project in Mauritania and for corporate purposes.

4. RESOLUTION 3 – ISSUE OF PLACEMENT OPTIONS

4.1 General

As set out in Section 1, the Company carried out the Placement to raise approximately \$1 million.

Resolution 3 seeks Shareholder approval for the issue of up to 20,381,170 Options for nil cash consideration to subscribers in the Placement on the basis of one (1) Option for every two (2) Shares subscribed for and issued.

A summary of ASX Listing Rule 7.1 is set out in Section 2.1 above.

The effect of Resolution 3 will be to allow the Company to issue the Options pursuant to the Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

4.2 Technical information required by ASX Listing Rule 7.1

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

- (a) the maximum number of Options to be issued is 20,381,180;
- (b) the Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (c) the issue price of the Options will be nil as they will be issued free attaching with the Shares issued pursuant to the Placement on a 1:2 basis;
- (d) the Options will be issued to the subscribers in the Placement the subject of Resolution 2 on the basis of one (1) Option for every two (2) Shares subscribed for and issued;
- (e) the Options will be issued on the terms and conditions set out in Schedule 1; and
- (f) no funds will be raised from this issue as the Options are being issued for nil cash consideration.

5. RESOLUTION 4 – SHARE PURCHASE PLAN OFFER WITH OPTIONS

5.1 General

As set out in Section 1, the Company is providing an opportunity for Eligible Shareholders to participate in the SPP Offer.

Resolution 4 seeks Shareholder approval for the issue of SPP Shares and SPP Options the subject of the SPP Offer.

The SPP Offer will be conducted on the same terms as the Placement enabling Eligible Shareholders to participate at \$0.025 per Share (**SPP Shares**) together with the issue of one free attaching Option being granted for every two Shares subscribed for under the SPP Offer (**SPP Options**) up to a total subscription limit of \$15,000 per Eligible Shareholder. Eligible Shareholders will also be given the opportunity to apply for Shortfall Securities pursuant to the Shortfall SPP Offer.

The SPP Offer will be made pursuant to a prospectus (**Prospectus**).

Voting exclusions apply to Resolution 4 as detailed in the Notice. The Company intends to apply for a waiver under Listing Rule 7.3.8 to enable Shareholders to vote in relation to Resolution 4 notwithstanding that they may be successful

applicants for SPP Shares under the SPP Offer. The outcome of the waiver application will be advised by way of an ASX announcement prior to the date of the General Meeting. If the waiver is not granted by ASX, this means that the only Shareholders who will be entitled to vote in relation to Resolution 4 are those who are not eligible to participate in the SPP Offer (because they reside outside Australia or they were not Shareholders on the Record Date or because they have not applied for Shares and Options under the SPP Offer).

A summary of ASX Listing Rule 7.1 is set out in Section 2.1 above.

The effect of Resolution 4 will be to allow the Company to issue the Shares and Options pursuant to the SPP Offer (including any Shortfall Securities under the SPP Offer) during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

5.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 4:

- (a) the maximum number of SPP Shares to be issued is 40,000,000 and the maximum number of SPP Options to be issued is 20,000,000;
- (b) the SPP Shares and SPP Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the SPP Shares and SPP Options will occur progressively;
- (c) the issue price will be \$0.025 per SPP Share with nil per SPP Option as the Options will be issued free attaching with the SPP Shares on a 1:2 basis;
- (d) the SPP Shares and SPP Options will be issued to Shareholders who successfully apply for SPP Shares under the SPP Offer. None of these Shareholders will be related parties of the Company;
- (e) the SPP Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) the SPP Options will be issued on the terms and conditions set out in Schedule 1; and
- (g) the Company intends to use the funds raised from the SPP Offer towards progressing the Company's Tiris Uranium Project in Mauritania and for corporate purposes.

6. RESOLUTION 5 – ISSUE OF OPTIONS TO CORPORATE ADVISER

6.1 General

As set out in Section 1 above, the Company has entered into the Mandate with Hartleys pursuant to which the Company has agreed to issue 12,500,000 unlisted Options exercisable at \$0.07 at any time over a 3 year period from date of vesting (**Advisor Options**). The Advisor Options will vest and will be entitled to be exercised upon satisfaction of the Performance Milestone.

A summary of ASX Listing Rule 7.1 is set out in Section 2.1 above.

The effect of Resolution 5 will be to allow the Company to issue the Adviser Options during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

6.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of the Adviser Options:

- (a) the maximum number of Adviser Options to be issued is 12,500,000;
- (b) the Adviser Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that the issue of the Adviser Options will occur on the same date;
- (c) the Adviser Options will be issued for nil cash consideration in consideration for corporate advisory services provided by Hartleys and shall vest upon satisfaction of the Performance Milestone;
- (d) the Adviser Options will be issued to Zenix Nominees Pty Ltd who is not a related party of the Company;
- (e) the Adviser Options will be issued on the terms and conditions set out in Schedule 2; and
- (f) no funds will be raised from the issue as the Adviser Options are being issued in consideration for services provided to the Company by Hartleys.

7. RESOLUTION 6 – ISSUE OF SHARES TO CORPORATE ADVISER

7.1 General

As set out in Section 1 above, the Company has entered into the Mandate with Hartleys pursuant to which the Company will issue to Hartley's subsidiary Zenix Nominees Pty Ltd \$10,000 worth of Shares per month at the VWAP of the preceding month in lieu of the standard monthly advisory fee and in recognition of the work Hartleys will undertake for the Company pursuant to the Mandate.

Resolution 6 seeks Shareholder approval for the issue of a total of 1,055,174 Shares (**Adviser Shares**) for outstanding advisory fees as set out below.

Month	Issue Price	Fee	Shares
30 days to 11 December 2014	\$0.0261	\$10,000	383,774
30 days to 11 January 2015	\$0.0284	\$10,000	351,555
30 days to 11 February 2014	\$0.0313	\$10,000	319,845
		Total	1,055,174

A summary of ASX Listing Rule 7.1 is set out in Section 2.1 above.

The effect of Resolution 6 will be to allow the Company to issue the Adviser Shares the subject of Resolution 6 during the period of 3 months after the

Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

7.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 6:

- (a) the maximum number of Adviser Shares to be issued is 1,055,174;
- (b) the Adviser Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that the issue will occur on the same date;
- (c) the Adviser Shares will be issued for nil cash consideration in satisfaction of corporate advisory services provided by Hartleys;
- (d) the Adviser Shares will be issued to Zenix Nominees Pty Ltd, a wholly owned subsidiary of Hartleys, (or its nominees), who is not a related party of the Company;
- (e) the Adviser Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) no funds will be raised as the Adviser Shares are being issued in consideration for services provided to the Company by Hartleys.

8. RESOLUTION 7 – ISSUE OF OPTIONS TO RELATED PARTY IN ACCORDANCE WITH EMPLOYMENT AGREEMENT – MR PETER REEVE

8.1 General

On 26 November 2014, the Company announced that Mr Peter Reeve would assume the role of Chief Executive Officer and Executive Chairman of the Company, effective on and from 1 January 2015.

Pursuant to the terms of the employment agreement between the Company and Mr Reeve (**Employment Agreement**), the Company has agreed to grant a total 35,000,000 Options to Mr Peter Reeve as follows:

- (a) 15,000,000 Options exercisable at \$0.10 each (**Tranche 1 Related Party Options**), vesting as follows:
 - (i) 8,750,000 Options on obtaining approval of Resolution 7; and
 - (ii) 6,250,000 Options vesting on 9 February 2016; and
- (b) 20,000,000 Options exercisable at \$0.15 each (**Tranche 2 Related Party Options**), vesting as follows:
 - (i) 2,500,000 Options vesting on 9 February 2016;
 - (ii) 8,750,000 Options vesting on 9 February 2017; and
 - (iii) 8,750,000 Options vesting on 9 February 2018.

The Options will be issued to Mr Reeve for his ongoing commitment and contribution to the Company in his role as Executive Chairman and Chief Executive Officer with strike prices commensurate with ensuring a significant growth in the Company.

Resolution 7 seeks Shareholder approval for the grant of the Options to Mr Reeve (or his nominee).

If Shareholders do not approve the grant of the Options to Mr Reeve (or his nominee) the Company will propose an alternative and equivalent mechanism to Mr Reeve within 28 days of date of the Meeting. If no such alternative is forthcoming, Mr Reeve may terminate the Employment Agreement by giving 3 months' written notice to the Company.

8.2 Chapter 2E of the Corporations Act

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 Options constitutes giving a financial benefit and Mr Reeve is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Reeve who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Options because the agreement to grant the Options, reached as part of the remuneration package for Mr Reeve, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

8.3 ASX Listing Rule 10.11

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.

As the grant of the Related Party Options involves the issue of securities to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

8.4 Technical information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to Resolution 7:

- (a) the Options will be issued to Mr Peter Reeve (or his nominee);

- (b) the number of Options to be issued is 35,000,000;
- (c) the Options will be issued no later than 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 intended that issue of Options will occur on the same date;
- (d) the Options will be issued for nil cash consideration in consideration as they are being issued as part consideration for the services to be provided by Mr Reeve, accordingly no funds will be raised;
- (e) the terms and conditions of the Tranche 1 Related Party Options are outlined in Schedule 3; and
- (f) the terms and conditions of the Tranche 2 Related Party Options are outlined in Schedule 4.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Options to Mr Reeve as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the grant of the Options to Mr Reeve (or his nominee) will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

9. RESOLUTION 8 – ADOPTION OF EMPLOYEE SHARE PLAN

Resolution 8 seeks Shareholders approval for the adoption of the employee incentive scheme titled Employee Share Plan (**Plan**) in accordance with ASX Listing Rule 7.2 (Exception 9(b)).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period. ASX Listing Rule 7.2 (Exception 9(b)) sets out an exception to ASX Listing Rule 7.1 which provides that issues under an employee incentive scheme are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the scheme as an exception to ASX Listing Rule 7.1.

If Resolution 8 is passed, the Company will be able to issue Shares under the Plan to eligible participants over a period of 3 years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period.

Shareholders should note that no Shares have previously been issued under the Plan.

The objective of the Plan is to attract, motivate and retain key employees and it is considered by the Company that the adoption of the Plan and the future issue of Shares under the Plan will provide selected employees with the opportunity to participate in the future growth of the Company.

Any future issues of Shares under the Plan to a related party or a person whose relation with the company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time.

A summary of the key terms and conditions of the Plan is set out in Schedule 5. In addition, a copy of the Plan is available for review by Shareholders at the

registered office of the Company until the date of the Meeting. A copy of the Plan can also be sent to Shareholders upon request to the Company Secretary, Mr Stan Zillwood. Shareholders are invited to contact the Company if they have any queries or concerns.

10. RESOLUTIONS 9 TO 13 – ISSUE OF SHARES TO RELATED PARTIES PURSUANT TO EMPLOYEE SHARE PLAN

10.1 General

The Company has agreed, subject to obtaining Shareholder approval and to the adoption of the Plan (refer Resolution 8), to the issue by the Company of the following maximum number of Shares to the Directors, Dr Beeson, Mr Reeve, Mr Perkins and Mr Fraser (**Related Parties**):

- (a) up to 2,532,213 Shares to Dr Robert Beeson (or his nominee) in lieu of Directors' fees and salary;
- (b) up to 3,564,866 Shares to Mr Peter Reeve (or his nominee) in lieu of accrued Directors' fees and pursuant to his Employment Agreement;
- (c) up to 3,401,654 Shares to Mr Julian Perkins (or his nominee) in lieu of Directors' fees; and
- (d) up to 2,590,944 Shares to Mr Brett Fraser (or his nominee) in lieu of Directors' fees,

(together the **Related Party Shares**) pursuant to the Plan on the terms and conditions set out below. The approval sought for the maximum number of Related Party Shares includes:

- (e) the issue of 2,664,677 Shares in lieu of Directors' fees (and salary if applicable) which have already accrued (**Accrued Related Party Shares**);
- (f) the issue of 2,650,000 Shares to Mr Peter Reeve under the Employment Agreement (**Future CEO Remuneration Shares**); and
- (g) for the future issue of 6,775,000 Shares to Directors (other than Mr Reeve) in lieu of Directors fees and salary (**Related Party Future Directors' Fee Shares**).

Resolutions 9 to 13 seek Shareholder approval for the issue of the Related Party Shares to the Directors (or their nominees). To the extent Shareholders do not approve the issue of the Shares, the Directors will be entitled to be paid their respective deferred salary (if applicable) and fees in cash.

The Company has agreed to cap the issue of Related Party Shares to the Directors under the Plan. ASX Listing Rule 10.15A requires that the Company state the maximum number of securities that may be acquired by all persons for whom approval is required (including the formula for calculating the number of securities to be issued). As the number of Shares to be issued to the Directors is based on a formula, the Company is unable to state an exact number of Shares as at the date of this Notice (except for those issues to Directors for fees that have already accrued – refer below). However, the Company has, for the purposes of Listing Rule 10.15A, set a maximum number of Related Party Shares to be issued to the Directors under the Plan as set out above and based on an

issue price of 2 cents. Further, Shareholder approval will be sought if more than the maximum is required to be issued.

10.2 Accrued Related Party Shares

In relation to the Accrued Related Party Shares, the Company will issue Directors the following:

- (a) 607,213 Shares will be issued to Dr Robert Beeson (or his nominee) in satisfaction of unpaid salary and Director fees owed to Dr Beeson for the period from 1 December 2014 to 31 March 2015 to the value of \$17,109;
- (b) 914,865 Shares will be issued to Mr Peter Reeve (or his nominee) in satisfaction of unpaid Director fees as follows:
 - (i) 243,603 for the period July 2014 to December 2014 to the value of \$8,140;
 - (ii) 171,363 for the period from 1 December 2014 to 31 December 2014 to the value of \$4,721; and
 - (iii) 499,899 for the period January 2015 to March 2015 to the value of \$14,184;
- (c) 651,654 Shares will be issued to Mr Julian Perkins (or his nominee) in satisfaction of unpaid Director fees for the period from 1 December 2014 to 31 March 2015 to the value of \$18,333; and
- (d) 490,944 Shares will be issued to Mr Brett Fraser (or his nominee) in satisfaction of unpaid Director fees for the period from 1 December 2014 to 31 March 2015 to the value of \$13,812.

The issue price for the Accrued Related Party Shares was, with respect to Accrued Related Party Shares issued to Mr Beeson, Mr Reeve, Mr Perkins and Mr Fraser in lieu of Director fees or salary accrued in a particular month, equal to the monthly VWAP for Shares for that month. The Accrued Related Party Shares issued to Mr Reeve in relation to fees accrued from July to December is equal to the average VWAP for Shares for that period. Set out below are the individual issue prices and number of Accrued Related Party Shares to be issued to each Director.

Director	Month	Salary/fees	Issue Price	No of Shares
Dr Beeson	December	\$4,277	\$0.027551	155,248
	January	\$4,277	\$0.02666	160,437
	February	\$4,277	\$0.0261256	163,718
	March	\$4,277	\$0.0332259	128,732
P Reeve	July to December	\$8,140	\$0.033415	243,603
	December	\$4,721	\$0.027551	171,363
	January	\$4,728	\$0.02666	177,092
	February	\$4,728	\$0.0261256	180,740
	March	\$4,728	\$0.0332259	142,067
J Perkins	December	\$4,583	\$0.027551	166,350

Director	Month	Salary/fees	Issue Price	No of Shares
	January	\$4,583	\$0.02666	171,909
	February	\$4,583	\$0.0261256	175,425
	March	\$4,584	\$0.0332259	137,970
B Fraser	December	\$3,453	\$0.027551	125,331
	January	\$3,453	\$0.02666	129,519
	February	\$3,453	\$0.0261256	132,169
	March	\$3,453	\$0.0332259	103,925

10.3 Related Party Future Directors' Fee Shares

The maximum number of Related Party Future Directors' Fee Shares to be issued to each of the Directors (except Mr Reeve) in lieu of fees and salary (subject to Shareholder approval) is as follows:

- (a) up to 1,925,000 Related Party Shares to Dr Robert Beeson (or his nominee);
- (b) up to 2,750,000 Related Party Shares to Mr Julian Perkins (or his nominee); and
- (c) up to 2,100,000 Related Party Shares to Mr Brett Fraser (or his nominee).

The issue price for the Related Party Future Directors' Fee Shares will be, with respect to Related Party Future Directors' Fee Shares issued in lieu of Director fees or salary accrued in a particular month, equal to the monthly VWAP for Shares for that month.

Set out below are worked examples of the number of Related Party Future Directors' Fee Shares that may be issued to the Related Parties based on issue prices of \$0.02, \$0.03 and \$0.04 and the dilutionary effect on Shareholders (assuming no further Shares are issued or Options exercised).

Director	Assumed issue price	Salary/fees	Number of Shares ¹	Dilution effect on existing Shareholders ¹
Dr Beeson	\$0.02	\$38,500	1,925,000	0.42%
	\$0.03	\$38,500	1,283,333	0.28%
	\$0.04	\$38,500	962,500	0.21%
J Perkins	\$0.02	\$55,000	2,750,000	0.60%
	\$0.03	\$55,000	1,833,333	0.40%
	\$0.04	\$55,000	1,375,000	0.30%
B Fraser	\$0.02	\$42,000	2,100,000	0.46%
	\$0.03	\$42,000	1,400,000	0.31%
	\$0.04	\$42,000	1,050,000	0.23%

Notes:

1. Assumes the SPP Offer is fully subscribed, Options are exercised under Resolutions 3, 4, 5 and 7 and is based on a capital structure of 456,259,789 (being 315,233,768

currently on issue plus Shares to be issued under SPP Offer and Shares to be issued under Resolutions 6 and 9 to 13).

10.4 Future CEO Remuneration Shares

As noted in Section 8.1 above, the Company has entered into the Employment Agreement with Mr Peter Reeve.

Pursuant to the terms of the employment agreement between the Company and Mr Reeve (**Employment Agreement**), the Company has agreed to pay Mr Reeve a salary of \$450,000 per annum (inclusive of superannuation), comprising \$350,000 in cash and, subject to Shareholder approval, \$100,000 in Shares (issued quarterly in arrears and less applicable taxes), commencing from 1 January 2015 (**Future CEO Remuneration Shares**).

The issue price for the Future CEO Remuneration Shares will be based on the VWAP of Shares for the calendar quarter for which the quarterly Share component is due (**Issue Price**).

Accordingly, the number of Future CEO Remuneration Shares to be issued under the Employment Agreement for each quarter will be calculated as follows:

$$\text{No. of Future CEO Remuneration Shares} = \frac{\$25,000 \text{ (less applicable taxes)}}{\text{Issue Price}}$$

Resolution 9 seeks Shareholder approval for up to a total of 2,650,000 Future CEO Remuneration Shares.

Set out below are worked examples of the number of Future CEO Remuneration Shares that may be issued to the Related Parties based on issue prices of \$0.02, \$0.03 and \$0.04 and the dilutionary effect on Shareholders (assuming no further Shares are issued or Options exercised).

Director	Assumed issue price	Salary/fees ²	Number of Shares ¹	Dilution effect on existing Shareholders ¹
Mr Reeve	\$0.02	\$53,000	2,650,000	0.58%
	\$0.03	\$53,000	1,766,667	0.39%
	\$0.04	\$53,000	1,325,000	0.29%

Notes:

1. Assumes the SPP Offer is fully subscribed, Options are exercised under Resolutions 3, 4, 5 and 7 and is based on a capital structure of 456,259,789 (being 315,233,768 currently on issue plus Shares to be issued under SPP Offer and Shares to be issued under Resolutions 6 and 9 to 13).
2. The \$100,000 is calculated following deduction of taxes withheld at 47% = \$53,000.

10.5 Maximum issue of Related Party Shares that may be issued

Section 10.1 sets out the maximum number of Related Party Shares that may be issued under Resolutions 9 to 13. The Dilutionary effect on existing Shareholders if the maximum number of Related Party Shares are issued is set out below:

Director	Related Party Shares	Dilutionary effect on existing Shareholders
Dr Beeson	2,532,213	0.55%
P Reeve	3,564,866	0.78%
J Perkins	3,401,654	0.75%
B Fraser	2,590,944	0.57%

Notes:

1. Assumes the SPP Offer is fully subscribed, Options are exercised under Resolutions 3, 4, 5 and 7 and is based on a capital structure of 456,259,789 (being 315,233,768 currently on issue plus Shares to be issued under SPP Offer and Shares to be issued under Resolutions 6 and 9 to 13).

10.6 Chapter 2E of the Corporations Act and ASX Listing Rule 10.14

A summary of Chapter 2E of the Corporations Act is set out in Section 8.2 above.

The issue of the Related Party Shares constitutes giving a financial benefit and the Related Parties are related parties of the Company by virtue of being Directors.

Each Director considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Related Party Shares to each of the other Directors because the agreement to grant Related Party Shares in satisfaction of Director fees and/or salary and the Future CEO Remuneration Shares is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

10.7 ASX Listing Rule 10.14

ASX Listing Rule 10.14 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of the director, or a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that approval should be obtained.

10.8 Technical Information required by ASX Listing Rule 10.15A

Pursuant to and in accordance with ASX Listing Rule 10.14, the following information is provided in relation to Resolutions 9 to 13:

- (a) the Related Party Shares will be issued to Dr Robert Beeson, Mr Peter Reeve, Mr Julian Perkins and Mr Brett Fraser (or their respective nominees);
- (b) the maximum number of Accrued Related Party Shares to be issued is:
 - (i) 607,213 Shares to Dr Robert Beeson (or his nominee) in satisfaction of unpaid Director fees owed to Dr Beeson for the period from 1 December 2014 to 31 March 2015;
 - (ii) 914,866 Shares to Mr Peter Reeve (or his nominee) in satisfaction of unpaid Director fees owed to Mr Reeve as follows:
 - (A) 243,604 for the period July 2014 to December 2014 to the value of \$8,140;

- (B) 171,363 for the period from 1 December 2014 to 31 December 2014 to the value of \$4,721; and
- (C) 499,899 for the period January 2015 to March 2015 to the value of \$14,184;
- (iii) 651,654 Shares to Mr Julian Perkins (or his nominee) in satisfaction of unpaid Director fees owed to Mr Perkins for the period from 1 December 2014 to 31 March 2015; and
- (iv) 490,944 Shares to Mr Brett Fraser (or his nominee) in satisfaction of unpaid director fees owed to Mr Fraser amounting to \$13,812 for the period from 1 December 2014 to 31 March 2015;
- (c) the issue prices for the Accrued Related Party Shares are set out in Section 10.2 above;
- (d) the maximum number of Related Party Future Directors' Fee Shares to be issued is:
 - (i) up to 1,925,000 Shares to Dr Robert Beeson (or his nominee);
 - (ii) up to 2,750,000 Shares to Mr Julian Perkins (or his nominee); and
 - (iii) up to 2,100,000 Shares to Mr Brett Fraser (or his nominee);
- (e) the issue price for the Related Party Future Directors' Fee Shares will be, in respect of Related Party Future Directors' Fee Shares issued in lieu of Director fees and salary accrued in a particular month, equal to the monthly VWAP for Shares for the month in which the fees and salary are accrued;
- (f) the maximum number of Future CEO Remuneration Shares to be issued to Mr Peter Reeve (or his nominee) will be up to 2,650,000 Future CEO Remuneration Shares;
- (g) the issue price of the Future CEO Remuneration Shares will be based on the VWAP of the Future CEO Remuneration Shares for the calendar quarter for which the quarterly Share component is due;
- (h) the Related Party Shares will be issued to Messrs Beeson, Reeve, Perkins and Fraser no later than 3 years after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of all of the Shares will occur progressively;
- (i) the Related Party Shares will be issued for nil cash consideration pursuant to the Plan as they are being issued as part consideration for the services to be provided by Messrs Beeson, Reeve, Perkins and Fraser, accordingly no funds will be raised;
- (j) no Related Party Shares have previously been issued under the Plan, nor has the Plan previously been adopted by Shareholders;
- (k) all Directors are entitled to participate in the Plan; and
- (l) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.

Details of any Related Party Shares to be issued under the Plan will be published in each annual report of the Company relating to a period in which the Related Party Shares have been issued, and that approval for the issue of Related Party Shares was obtained under ASX Listing Rule 10.14. Any additional persons who become entitled to participate in the Plan after this resolution is approved and who were not named in this Notice, will not participate until approval is obtained under ASX Listing Rule 10.4.

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the Related Party Shares as approval is being obtained under ASX Listing Rule 10.14. Accordingly, the issue of Related Party Shares to the Related Parties (or their nominees) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

11. RESOLUTION 14 - SECTION 195 APPROVAL

Approval of Resolutions 10 to 13 may result in the Directors having a "material personal interest" in the matters referred to in this Notice. In the absence of this Resolution 14, the Directors may not be able to form a quorum at any meetings necessary to carry out the transactions contemplated by Resolutions 10 to 13.

Accordingly, Shareholder approval is being sought to allow the Directors to form a quorum to implement the transactions contemplated in this Notice.

GLOSSARY

\$ means Australian dollars.

Adviser Option means an Option granted pursuant to Resolution 5 with the terms and conditions set out in Schedule 2.

AEST means Australian Eastern Standard Time as observed in Melbourne, Victoria.

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.

Capital Raising has the meaning given to it in Section 1.

Chair means the chair of the Meeting.

Company means Aura Energy Limited (ACN 115 927 681).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Eligible Shareholders means a Shareholder as at the record date of 7:00pm (Sydney time) on 10 April 2015 whose address on the register is in Australia.

Employment Agreement has the meaning given to it in Section 8.1.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

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.

Optionholder means a holder of an Option.

Performance Milestone has the meaning given to it in Section 1.

Placement has the meaning given to it in Section 1.

Proxy Form means the proxy form accompanying the Notice.

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

Section means a section of the Explanatory Statement.

Securities Purchase Plan means the Company's securities purchase plan which contains the SPP Offer.

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

Shareholder means a registered holder of a Share.

SPP Offer has the meaning given to it in Section 1.

SPP Options means options to be issued on a 1 for 2 basis to subscribers in the SPP Offer and otherwise defined in Section 5.1.

SPP Shares means the offer of up to 40,000,000 Shares to be offered under the SPP Offer and otherwise defined in Section 5.1.

VWAP means the volume weighted average market price (as defined in the ASX Listing Rules).

SCHEDULE 1 – TERMS AND CONDITIONS OF PLACEMENT OPTIONS AND SPP OPTIONS

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph Schedule 1(j), the amount payable upon exercise of each Option will be \$0.05 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (AEST) on the date that is 24 months from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

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

(f) **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 Option being exercised in cleared funds (**Exercise Date**).

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

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

- (i) issue the number of Shares required under these terms and conditions in respect of the number of 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 Schedule 1(h)Schedule 1(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.

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

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

(k) **Change in exercise price**

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

(l) **Quoted**

The Company will apply for quotation of the Options on ASX.

(m) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 2 – TERMS AND CONDITIONS OF ADVISER OPTIONS

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each Option will be \$0.07 (**Exercise Price**).

(c) **Exercise Condition**

The holder will be entitled to exercise the Options upon the Company, with the assistance of the holder, raising not less than \$1,500,000 in aggregate in the 12 month period expiring on 12 November 2015 (**Exercise Condition**).

(d) **Expiry Date**

Each Option will expire at 5:00 pm (AEST) on the date that is 3 years after the date of issue of the Options (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(e) **Exercise Period**

The Options are exercisable at any time on and from the date of satisfaction of the Exercise Condition until the Expiry Date (**Exercise Period**).

(f) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each 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 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) issue the number of Shares required under these terms and conditions in respect of the number of 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 Options rank equally with the then issued shares of the Company.

- (j) **Reconstruction of capital**

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

- (k) **Participation in new issues**

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

- (l) **Change in exercise price**

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

- (m) **Unquoted**

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

- (n) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 3 – TERMS AND CONDITIONS OF TRANCHE 1 RELATED PARTY OPTIONS

1. In these terms and conditions, the following expressions have the following meanings respectively:

Bid Period, in relation to an off-market bid or a market bid (as defined in the Corporations Act) in respect of Shares, means the period referred to in the definition of that expression in section 9 of the Corporations Act, provided that where a bid is publicly announced prior to the service of a bidder's statement on the Company, the bid period is deemed to have commenced at the time of that announcement.

Change of Control Event means, if an entity does not have Control of the Company, the event pursuant to which that entity acquires Control of the Company.

Control has the meaning given to that term in section 50AA of the Corporations Act.

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

Exercise Period has the meaning given to that term in paragraph 3.

Exercise Price has the meaning given to that term in paragraph 6.

Notice of Exercise has the meaning given to that term in paragraph 7.

Optionholder has the meaning given to that term in paragraph 2.

2. Each Option will entitle the holder (**Optionholder**) to subscribe for one fully paid ordinary share (**Share**) in the capital of Aura Energy Limited (ABN 62 115 927 681) (**Company**), subject to possible adjustments referred to in paragraphs 12 and 13 of these terms and conditions.
3. Subject to paragraph 4 of these terms and conditions, each Option will be exercisable at any time from the date on which that Option vests (but not before) and is exercisable until 5.00 pm (AEST) on the date that is three years from the date of vesting of that Option (**Exercise Period**).

The Options will vest as follows:

- (a) 8,750,000 Options on obtaining shareholder approval; and
- (b) 6,250,000 Options vest on 9 February 2016.

4. An Option may not be exercised before the commencement of the applicable Exercise Period other than:
- (a) during a Bid Period;
 - (b) at any time after a Change of Control Event has occurred; or
 - (c) if, on application under section 411 of the Corporations Act, a court orders a meeting to be held concerning a proposed compromise or arrangement for the purpose of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company,

and if the Option is exercised in accordance with these terms and conditions during those periods or upon those occurrences and prior to the vesting of the Option, the Option will be taken to have vested immediately prior to the exercise of the Option.

5. Each unexercised Option (whether vested or unvested) may not be exercised after, and lapses upon, the earlier of the end of the Exercise Period or as set out in paragraph 15 and 16 of these terms and conditions.
6. Subject to paragraphs 13 and 14, the exercise price of each Option is \$0.10 (**Exercise Price**).
7. An Option is exercisable by notice in writing (**Notice of Exercise**) to the Board delivered to the registered office of the Company together with payment of the Exercise Price in cleared funds.
8. Within 15 Business Days after the later of the following:
 - (a) receipt by the Company of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercised, if the Company is not at that time in possession of excluded information (as defined in section 708A(7) of the Corporations Act);
 - (b) the date on which the Company ceases to be in possession of excluded information (as defined in section 708A(7) of the Corporations Act) in respect of the Company, if the Company was in possession of excluded Information (as defined in section 708A(7) of the Corporations Act) following the receipt by the Company of the Notice of Exercise and payment of the Exercise Price for each Option being exercised, the Company will:
 - (i) issue the Shares to the Optionholder pursuant to the exercise of the Options; and
 - (ii) confirm that It has given the ASX a notice that complies with section 708A(5)(e) of the Corporations Act within the time prescribed in section 708A of the Corporations Act.
9. The Company will not apply for official quotation of the Options on the ASX. The Company will make application for official quotation on the ASX of new Shares issued upon exercise of the Options. Those Shares will participate equally in all respects with existing issued ordinary Shares, and in particular new Shares issued on exercise of the Options will qualify for dividends declared after the date of their issue.
10. Options must not be transferred or become the subject of the granting of any security interest or other mortgage, charge, lien or other encumbrance, except that if at any time before expiry of an Exercise Period in respect of the Options the Optionholder dies, the legal personal representative of the deceased Optionholder may:
 - (a) elect to be registered as the new holder of the Options (to the extent that they have not been exercised); and
 - (b) whether or not he or she becomes so registered, exercise those Options in accordance with these terms and conditions.

11. The Optionholder may only participate in new issues of securities to holders of Shares in the Company to the extent that an Option has been exercised and Shares issued in respect of the Option before the record date for determining entitlements to the new issue. The Company must give prior notice to the Optionholder of any new issue before the record date for determining entitlements to the issue in accordance with the ASX Listing Rules.
12. If there is a bonus issue to the holders of Shares in the Company, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the Optionholder would have received if the Option had been exercised before the record date for the bonus issue.
13. If the Company makes a pro rata rights issue (other than a bonus issue) to the holders of Shares, the Exercise Price of each unexercised Option will be reduced according to the following formula:

$$A = O - \frac{E[P - (S + D)]}{(N + 1)}$$

where:

A = the new exercise price of the Options

O = the old exercise price of the Options

E = the number of underlying securities into which one Option is exercisable

P = the volume weighted average market price (as defined in the ASX Listing Rules) per share during the 5 trading days ending on the day before the ex-rights date or the ex-entitlements date

S = the subscription price for a Share under the pro rata issue

D = the dividend due but not yet paid on existing underlying Shares (except those to be issued under the pro rata issue)

N = the number of shares with rights or entitlements that must be held to receive a right to one new Share.

14. If, during the currency of the Options the issued capital of the Company is reorganised, the rights attaching to the Options will be reorganised to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
15. If the Company ceases to employ the Optionholder for any reason whatsoever (other than by reason of death, redundancy or permanent physical or mental incapacity or resignation):
 - (a) all vested Options are retained by the Optionholder and will be exercisable thereafter as prescribed in paragraph 7 of these terms and conditions, unless the employment is terminated by the Company for cause pursuant to the Employment Agreement in which case the vested Options will lapse immediately, unless the Board determines otherwise in its absolute discretion; and
 - (b) all unvested Options available to the Optionholder as at the later of:
 - (i) the date of final payment equal to the Optionholder's base salary (less any amount the Company is required to deduct on account of income tax and any applicable fringe benefits tax)

for the notice period for termination of the Employment Agreement without cause; and

- (ii) termination of employment,

will lapse immediately at that time, unless the Board determines otherwise in its absolute discretion. The Board is not obliged to give the Optionholder any reasons for the exercise of its discretion.

16. If the employment of the Optionholder terminates because of death, redundancy, permanent physical or mental incapacity or resignation, the Optionholder or the personal representative of the estate of the Optionholder (as applicable):

- (a) may exercise all vested Options within 30 days of the date of employment terminating; and

- (b) will, unless the reason for employment ceasing is resignation of the Optionholder (in which case the unvested Options will lapse on resignation), retain any unvested Options available to the Optionholder as at the later of:

- (i) the date of final payment equal to the Optionholder's base salary (less any amount the Company is required to deduct on account of income tax and any applicable fringe benefits tax) for the notice period for termination of the Employment Agreement without cause; and

- (ii) termination of employment,

until the later of the next vesting date or the expiration of one year after the date of termination of employment, at which time they will lapse.

17. The following table is for the purposes of clarification of the impacts on unvested and vested Options following termination of employment under the various circumstances contemplated under paragraphs 14 and 15 of these terms and conditions:

Reason Termination	for	impact on Unvested Options	Impact on Vested Options
Death		Lapse after one year	Exercisable within 30 days
Redundancy		Lapse after one year	Exercisable within 30 days
Incapacity		Lapse after one year	Exercisable within 30 days
Resignation		Lapse immediately	Exercisable within 30 days
Termination by the Company with cause		Lapse unless Board determines otherwise	Lapse unless Board determines otherwise
Any Other Reason		Lapse unless Board determines otherwise	Will be exercisable as prescribed in paragraph 7

In the event of conflict between this paragraph and paragraphs 15 or 16 the terms of paragraphs 15 or 16 prevail.

SCHEDULE 4 – TERMS AND CONDITIONS OF TRANCHE 2 RELATED PARTY OPTIONS

1. In these terms and conditions, the following expressions have the following meanings respectively:

Bid Period, in relation to an off-market bid or a market bid (as defined in the Corporations Act) in respect of Shares, means the period referred to in the definition of that expression in section 9 of the Corporations Act, provided that where a bid is publicly announced prior to the service of a bidder's statement on the Company, the bid period is deemed to have commenced at the time of that announcement.

Change of Control Event means, if an entity does not have Control of the Company, the event pursuant to which that entity acquires Control of the Company.

Control has the meaning given to that term in section 50AA of the Corporations Act.

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

Exercise Period has the meaning given to that term in paragraph 3.

Exercise Price has the meaning given to that term in paragraph 6.

Notice of Exercise has the meaning given to that term in paragraph 7.

Optionholder has the meaning given to that term in paragraph 2.

2. Each Option will entitle the holder (**Optionholder**) to subscribe for one fully paid ordinary share (**Share**) in the capital of Aura Energy Limited (ABN 62 115 927 681) (**Company**), subject to possible adjustments referred to in paragraphs 12 and 13 of these terms and conditions.
3. Subject to paragraph 4 of these terms and conditions, each Option will be exercisable at any time from the date on which that Option vests (but not before) and is exercisable until 5.00 pm (AEST) on the date that is three years from the date of vesting of that Option (**Exercise Period**).

The Options will vest as follows:

- (a) 2,500,000 Options vesting on 9 February 2016;
- (b) 8,750,000 Options vesting on 9 February 2017; and
- (c) 8,750,000 Options vesting on 9 February 2018.

4. An Option may not be exercised before the commencement of the applicable Exercise Period other than:
- (a) during a Bid Period;
 - (b) at any time after a Change of Control Event has occurred; or
 - (c) if, on application under section 411 of the Corporations Act, a court orders a meeting to be held concerning a proposed compromise or arrangement for the purpose of, or in connection with, a scheme for the

reconstruction of the Company or its amalgamation with any other company,

and if the Option is exercised in accordance with these terms and conditions during those periods or upon those occurrences and prior to the vesting of the Option, the Option will be taken to have vested immediately prior to the exercise of the Option.

5. Each unexercised Option (whether vested or unvested) may not be exercised after, and lapses upon, the earlier of the end of the Exercise Period or as set out in paragraph 15 and 16 of these terms and conditions.
6. Subject to paragraphs 13 and 14, the exercise price of each Option is \$0.15 (**Exercise Price**).
7. An Option is exercisable by notice in writing (**Notice of Exercise**) to the Board delivered to the registered office of the Company together with payment of the Exercise Price in cleared funds.
8. Within 15 Business Days after the later of the following:
 - (a) receipt by the Company of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercised, if the Company is not at that time in possession of excluded information (as defined in section 708A(7) of the Corporations Act);
 - (b) the date on which the Company ceases to be in possession of excluded information (as defined in section 708A(7) of the Corporations Act) in respect of the Company, if the Company was in possession of excluded information (as defined in section 708A(7) of the Corporations Act) following the receipt by the Company of the Notice of Exercise and payment of the Exercise Price for each Option being exercised, the Company will:
 - (i) issue the Shares to the Optionholder pursuant to the exercise of the Options; and
 - (ii) confirm that It has given the ASX a notice that complies with section 708A(5)(e) of the Corporations Act within the time prescribed in section 708A of the Corporations Act.
9. The Company will not apply for official quotation of the Options on the ASX. The Company will make application for official quotation on the ASX of new Shares issued upon exercise of the Options. Those Shares will participate equally in all respects with existing issued ordinary Shares, and in particular new Shares issued on exercise of the Options will qualify for dividends declared after the date of their issue.
10. Options must not be transferred or become the subject of the granting of any security interest or other mortgage, charge, lien or other encumbrance, except that if at any time before expiry of an Exercise Period in respect of the Options the Optionholder dies, the legal personal representative of the deceased Optionholder may:
 - (a) elect to be registered as the new holder of the Options (to the extent that they have not been exercised); and

- (b) whether or not he or she becomes so registered, exercise those Options in accordance with these terms and conditions.
11. The Optionholder may only participate in new issues of securities to holders of Shares in the Company to the extent that an Option has been exercised and Shares issued in respect of the Option before the record date for determining entitlements to the new issue. The Company must give prior notice to the Optionholder of any new issue before the record date for determining entitlements to the issue in accordance with the ASX Listing Rules.
12. If there is a bonus issue to the holders of Shares in the Company, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the Optionholder would have received if the Option had been exercised before the record date for the bonus issue.
13. If the Company makes a pro rata rights issue (other than a bonus issue) to the holders of Shares, the Exercise Price of each unexercised Option will be reduced according to the following formula:

$$A = O - \frac{E[P - (S + D)]}{(N + 1)}$$

where:

A = the new exercise price of the Options

O = the old exercise price of the Options

E = the number of underlying securities into which one Option is exercisable

P = the volume weighted average market price (as defined in the ASX Listing Rules) per share during the 5 trading days ending on the day before the ex-rights date or the ex-entitlements date

S = the subscription price for a Share under the pro rata issue

D = the dividend due but not yet paid on existing underlying Shares (except those to be issued under the pro rata issue)

N = the number of shares with rights or entitlements that must be held to receive a right to one new Share.

14. If, during the currency of the Options the issued capital of the Company is reorganised, the rights attaching to the Options will be reorganised to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
15. If the Company ceases to employ the Optionholder for any reason whatsoever (other than by reason of death, redundancy or permanent physical or mental incapacity or resignation):
- (a) all vested Options are retained by the Optionholder and will be exercisable thereafter as prescribed in paragraph 7 of these terms and conditions, unless the employment is terminated by the Company for cause pursuant to the Employment Agreement in which case the vested Options will lapse immediately, unless the Board determines otherwise in its absolute discretion; and
- (b) all unvested Options available to the Optionholder as at the later of:
- (i) the date of final payment equal to the Optionholder's base salary (less any amount the Company is required to deduct on

account of income tax and any applicable fringe benefits tax) for the notice period for termination of the Employment Agreement without cause; and

- (ii) termination of employment,

will lapse immediately at that time, unless the Board determines otherwise in its absolute discretion. The Board is not obliged to give the Optionholder any reasons for the exercise of its discretion.

16. If the employment of the Optionholder terminates because of death, redundancy, permanent physical or mental incapacity or resignation, the Optionholder or the personal representative of the estate of the Optionholder (as applicable):

- (c) may exercise all vested Options within 30 days of the date of employment terminating; and

- (d) will, unless the reason for employment ceasing is resignation of the Optionholder (in which case the unvested Options will lapse on resignation), retain any unvested Options available to the Optionholder as at the later of:

- (i) the date of final payment equal to the Optionholder's base salary (less any amount the Company is required to deduct on account of income tax and any applicable fringe benefits tax) for the notice period for termination of the Employment Agreement without cause; and

- (ii) termination of employment,

until the later of the next vesting date or the expiration of one year after the date of termination of employment, at which time they will lapse.

17. The following table is for the purposes of clarification of the impacts on unvested and vested Options following termination of employment under the various circumstances contemplated under paragraphs 14 and 15 of these terms and conditions:

Reason Termination	for	impact on Unvested Options	Impact on Vested Options
Death		Lapse after one year	Exercisable within 30 days
Redundancy		Lapse after one year	Exercisable within 30 days
Incapacity		Lapse after one year	Exercisable within 30 days
Resignation		Lapse immediately	Exercisable within 30 days
Termination by the Company with cause		Lapse unless Board determines otherwise	Lapse unless Board determines otherwise
Any Other Reason		Lapse unless Board determines otherwise	Will be exercisable as prescribed in paragraph 7

In the event of conflict between this paragraph and paragraphs 15 or 16 the terms of paragraphs 15 or 16 prevail.

SCHEDULE 5 – SUMMARY OF EMPLOYEE SHARE PLAN

Outlined below is a summary of the key terms of the Company's Employee Share Plan.

- (a) **Eligibility:** Directors and full-time and part-time employees of the Company or any of its subsidiaries (**Company Group**) are eligible to participate in the Employee Share Plan (**Eligible Participants**).
- (b) **Administration of Plan:** The Board is responsible for the operation of the Plan and has a broad discretion to determine which Eligible Participants will be offered Shares under the Plan.
- (c) **Offer:** The Board may issue an offer to an Eligible Participants to participate in the Plan. The offer will specify:
 - (i) the maximum number of Shares being offered to the Eligible Participant or the manner in which the maximum number is to be calculated;
 - (ii) the Issue Price of the Shares or the manner in which the Issue Price is to be calculated;
 - (iii) the Restriction Conditions (if any); and
 - (iv) the Acceptance Date.
- (d) **Restriction Conditions:** Shares may be subject to restriction conditions (such as a period of employment or service) which must be satisfied before the Shares can be sold, transferred, or encumbered.
- (e) **Method of Sale:** Where Shares must be sold by the Company, the Company shall:
 - (i) arrange to sell the Shares as soon as reasonably practicable either on the ASX or to an investor who falls within an exemption under Section 708 of the Corporations Act provided that the sale must be at a price that is no less than 80% of the volume weighted average price at which Shares were traded on the ASX on the 10 trading days before the sale date; and
 - (ii) apply the sale proceeds (**Sale Proceeds**) in the following priority:
 - (A) first, to the extent the Sale Proceeds are sufficient, to repay the Eligible Participant any cash consideration paid by the Eligible Participant made by or on behalf of the Eligible Participant; and
 - (B) secondly, any remainder to the Company to cover its costs of managing the Plan.
- (f) **Power of Attorney:** The Eligible Participant irrevocably appoints each of the Company and each director of the Company severally as his or her attorney to do all things necessary to give effect to the sale of the Eligible Participant's Shares in accordance with the Plan.
- (g) **Plan limit:** In respect of the Employee Share Plan, the Company must take reasonable steps to ensure that the number of Shares offered by the Company under the Employee Share Plan when aggregated with:

- (i) the number of Shares issued during the previous 3 years under the Employee Share Plan (or any other employee share plan extended only to Eligible Employees); and
- (ii) the number of Shares that would be issued if each outstanding offer for Shares (including options to acquire unissued Shares) under any employee incentive scheme of the Company were to be exercised or accepted,

does not exceed 5% of the total number of Shares on issue at the time of an offer (but disregarding any offer of Shares or option to acquire Shares that can be disregarded in accordance with relevant ASIC Class Orders).

- (h) **Restriction on transfer:** Participants may not sell or otherwise deal with a Share issued under a Plan until any restriction conditions in relation to the Shares have been satisfied or waived. The Company is authorised to impose a holding lock on the Shares to implement this restriction.
- (i) **Quotation on ASX:** The Company will apply for each Share to be admitted to trading on ASX upon the Share becoming unrestricted. Quotation will be subject to the ASX Listing Rules and any holding lock applying to the Shares.
- (j) **Rights attaching to Shares:** Each Share shall be issued on the same terms and conditions as the Company's issued Shares (other than in respect of transfer restrictions imposed by the Plan) and it will rank equally with all other issued Shares from the issue date except for entitlements which have a record date before the Issue Date.



Aura Energy Limited
ABN 62 115 927 681

000001 000 AEE
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

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

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

For all enquiries call:

(within Australia) 1300 544 913
(outside Australia) +61 3 9938 4320

Proxy Form

For your vote to be effective it must be received by 6:00pm (AEST) Monday, 8 June 2015

How to Vote on Items of Business

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

Appointment of Proxy

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

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

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

A proxy need not be a securityholder of the Company.

Signing Instructions

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

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

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

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

Attending the Meeting

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

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

Turn over to complete the form →



Update your securityholding, 24 hours a day, 7 days a week:

www.investorcentre.com

Review your securityholding

Update your securityholding

Your secure access information is:

SRN/HIN: I9999999999



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

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

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



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf XX

I/We being a member/s of Aura Energy Limited hereby appoint

the Chairman of the Meeting **OR**

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Aura Energy Limited to be held at Level 1, 19-23 Prospect Street, Box Hill, Victoria on Wednesday, 10 June 2015 at 6.00pm (AEST) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 7, 9, 10, 11, 12 and 13 (except where I/we have indicated a different voting intention below) even though Resolutions 7, 9, 10, 11, 12 and 13 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 7, 9, 10, 11, 12 and 13 by marking the appropriate box in step 2 below.

STEP 2 Items of Business **PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain		For	Against	Abstain
Resolution 1 Ratification of Prior Issue of Shares to Consultants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 9 Issue of Shares to Related Party in accordance with Employment Agreement - Mr Peter Reeve	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Ratification of Prior Issue-Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 10 Issue of Shares to Related Party in Lieu of Cash Payment for Director Fees and Salary- Dr Robert Beeson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Issue of Placement Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 11 Issue of Shares to Related Party in Lieu of Cash Payment for Director Fees - Mr Peter Reeve	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Share Purchase Plan Offer with Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 12 Issue of Shares to Related Party in Lieu of Cash Payment for Director Fees - Mr Julian Perkins	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Issue of Options to Corporate Adviser	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 13 Issue of Shares to Related Party in Lieu of Cash Payment for Director Fees - Mr Brett Fraser	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 Issue of Shares to Corporate Adviser	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 14 Section 195 Approval	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 Issue of Options to Related Party in accordance with Employment Agreement - Mr Peter Reeve	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
Resolution 8 Adoption of Employee Share Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

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

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

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date ____ / ____ / ____