



AURELIA METALS LIMITED

ACN 108 476 384

NOTICE OF 2018 ANNUAL GENERAL MEETING

TIME 9.00am (EDST)
DATE 29 November 2018
PLACE The Preston Room, Ground Floor, Amora Hotel Jamison Sydney
11 Jamison Street
Sydney NSW 2000

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 2 6363 5200.

AURELIA METALS LIMITED

ACN 108 476 384

NOTICE OF ANNUAL GENERAL MEETING

The Company gives notice that the Annual General Meeting will be held at The Preston Room, Ground Floor, Amora Hotel Jamison Sydney, 11 Jamison Street, Sydney NSW 2000 on Thursday, 29 November 2018 at 9.00am (EDST).

BUSINESS

FINANCIAL STATEMENTS AND REPORTS

To receive and consider the Annual Financial Report of the Company for the financial year ended 30 June 2018 together with the declaration of the Directors, the Director's Report, the Remuneration Report and the Auditor's Report.

RESOLUTION 1 - ADOPTION OF THE REMUNERATION REPORT

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

"That, for the purposes of section 250R(2) of the Corporations Act 2001 (Cth) and for all other purposes, approval is given for the adoption of the Remuneration Report for the financial year ended 30 June 2018."

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

RESOLUTION 2 – RE-ELECTION OF MICHAEL MENZIES

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

"That, for the purpose of clause 13.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Michael Menzies, a Director, retires by rotation, and being eligible, is re-elected as a Director."

RESOLUTION 3 - ELECTION OF SUSAN CORLETT

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

"That, for the purpose of clause 13.4 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Susan Corlett, a Director who was appointed as an additional director on 3 October 2018, and being eligible, is elected as a Director."

RESOLUTION 4 – APPROVAL OF ISSUE OF PERFORMANCE RIGHTS TO JIM SIMPSON

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

"That, for the purposes of ASX Listing Rule 10.14, the Corporations Act 2001 (Cth) and for all other purposes, approval is given for the issue of 2,541,964 Performance Rights and Shares to Jim Simpson (and/or his nominee) under the Aurelia Metals Limited Performance Rights Plan on the terms and conditions in the Explanatory Memorandum."

Voting exclusions apply to this resolution as detailed in the Explanatory Memorandum.

RESOLUTION 5 – APPROVAL TO INCREASE DIRECTOR FEE POOL

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

"That, for the purposes of ASX Listing Rule 10.17, the Company's constitution and for all other purposes, the aggregate amount of fees that may be paid to Non-Executive Directors as a whole be increased from A\$600,000 to A\$750,000 per annum."

Voting exclusions apply to this resolution as detailed in the Explanatory Memorandum.

Date 30 October 2018
By order of the Board



Timothy Churcher
Chief Financial Officer & Company Secretary

NOTES

These Notes form part of the Notice of Meeting.

Time and place of Meeting

Notice is given that the Meeting will be held at The Preston Room, Ground Floor, Amora Hotel Jamison Sydney, 11 Jamison Street Sydney NSW 2000 on Thursday, 29 November 2018 at 9.00am (EDST).

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 Shareholders as at 7.00pm (EDST) on Tuesday, 27 November 2018.

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; 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 Shareholder

appoints 2 proxies and the appointment does not specify the proportion or number of the Shareholder's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

The Corporations Act provides that:

- if proxy holders vote, they must cast all directed proxies as directed;
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed; and
- if the proxy has two or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands.

Appointment of proxies

A proxy need not be a Shareholder and can be an individual or a body corporate.

A body corporate appointed as a Shareholder's proxy may appoint a representative to exercise any of the powers the body may exercise as a proxy at the Meeting. The representative should bring to the meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

A Shareholder entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

Lodgement of proxy documents

For an appointment of a proxy for the Meeting to be effective:

- the proxy's appointment; and
- if the appointment is signed by the appointor's attorney – the authority under which the appointment was signed (eg a power of attorney) or a certified copy of it,

must be received by the Company at least 48 hours before the Meeting (that is, by not later than 9.00am (EDST) on Tuesday, 27 November 2018).

The following addresses are specified for the purposes of receipt of proxies:

By mail or delivery:	By fax:
Mail: PO Box 52, Collins St West Vic 8007 Australia	+61 (0) 8 9315 2233
Delivery: 770 Canning Highway, Applecross WA 6153 Australia	

Voting online

You may also submit your proxy online by visiting www.securitytransfer.com.au.

To use this option, you will need your Securityholder Reference Number (SRN) or Holder Identification Number (HIN) and your allocated Control Number as shown on your Proxy Form. You will be taken to have signed the Proxy Form if you lodge it in accordance with the instructions on the website. A proxy cannot be appointed electronically if they are appointed under a Power of Attorney or similar authority. The online proxy facility may not be suitable for Shareholders who

wish to appoint two proxies with different voting directions. Please read the instructions for online proxy submissions carefully before you lodge your proxy. Custodians and other intermediaries may submit their proxy online by visiting www.securitytransfer.com.

Voting by corporate representative

A body corporate that is a Shareholder, or that has been appointed as a proxy, is entitled to appoint a person to act as its representative at the Meeting. The appointment of the representative must comply with the requirements under section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment as the body corporate's representative, including any authority under which the appointment is signed, unless it has previously been given to the Company.

Voting by attorney

A Shareholder may appoint an attorney to vote on their behalf. For an appointment to be effective for the Meeting, the instrument effecting the appointment (or a certified copy of it) must be received by the Company in one of the methods listed above for the receipt of Proxy Forms, so that it is received not later than 9.00am (EDST) on Tuesday, 27 November 2017.

Voting Exclusions

The Corporations Act and the ASX Listing Rules require that certain persons must not vote, and the Company must disregard any votes cast by or on behalf of certain persons on certain resolutions to be considered at the Annual General Meeting.

These voting exclusions apply to Resolutions 1, 4 and 5 and are described more fully in the Explanatory Memorandum for each resolution.

EXPLANATORY MEMORANDUM

This information forms part of the Notice of Meeting.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the Financial Year ended 30 June 2018, together with the Declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report.

The Company will not provide a hard copy of the Company's Annual Financial Report to Shareholders unless specifically requested to do so. The Company's Annual Financial Report is available on its website at www.aureliametals.com.au.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General information

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

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' Report contained in the Annual Financial Report of the Company for a financial year.

The Chair must allow a reasonable opportunity for its Shareholders to ask question about or make comments on the Remuneration Report at the Annual General Meeting.

2.2 Proxy voting

In accordance with the wishes of the Board, the Chair (where appropriately authorised) intends to vote all available undirected proxies in favour of Resolution 1.

2.3 Directors' Recommendation

The Board unanimously recommends that the Shareholders adopt the Remuneration Report and you vote in favour of Resolution 1.

2.4 Voting Exclusions

A vote on Resolution 1 must not be cast (in any capacity) by or on behalf of either of the following persons:

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

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

- (c) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on Resolution 1 (provided that the Shareholder who appointed the proxy is not themselves a voter); or
- (d) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on Resolution 1; and
 - (ii) expressly authorises the Chair to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. **RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MICHAEL MENZIES**

3.1 **General information**

ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is the longer. Clauses 13.2 & 13.4 of the Constitution provide that:

- (a) at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded upwards in case of doubt), shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election;
- (b) the Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots;
- (c) a Director who retires by rotation under clause 13.2 of the Constitution is eligible for re-election; and
- (d) in determining the number of Directors to retire, no account is to be taken of:
 - (i) a director who only holds office until the next annual general meeting pursuant to clause 13.4 of the Constitution; and / or
 - (ii) a Managing Director,each of whom are exempt from retirement by rotation. However, if more than one Managing Director has been appointed by the Directors, only one of them (nominated by the Directors) is entitled to be excluded from any determination of the number of directors to retire and/or retirement by rotation.

The Company currently has 6 Directors, 4 of whom are included for the purpose of the calculation in paragraph (d) above.

Mr Menzies was previously a non-executive director of the Board between 26 March 2013 and 26 June 2015. Mr Michael Menzies was nominated by Glencore (a substantial shareholder of the Company) as one of its representatives on the Board as agreed as part of the Settlement & Funding Agreement between the Company and Glencore as announced to the ASX on 27 November 2015 and is therefore not considered to be an independent director. Mr Menzies, was re-appointed as a non-executive Director on 15 December 2015.

In accordance with clause 13.2 of the Constitution and ASX Listing Rule 14.4, Mr Menzies retires by rotation and being eligible, seeks re-election from Shareholders.

Mr Menzies is a law graduate who has over 35 years of experience in a variety of industrial, operational and managerial roles within the mining industry in Australia and off- shore, in base metals, gold, mineral sands and coal. He has worked with Renison Goldfields, CRA Limited and MIM Holdings where he was Executive General Manager Mining. Following a period employed in Private Equity in project evaluation and investment advice, in recent times Mr Menzies has been engaged in mining consultancy work primarily consulting to

Glencore. Mr Menzies is a former Director of Australian Mines and Metals Association and former Vice-President of the Queensland Mining Council.

3.2 **Proxy voting**

In accordance with the wishes of the Board, the Chair (where appropriately authorised) intends to vote all available undirected proxies in favour of Resolution 2.

3.3 **Directors' Recommendation**

The Board considers that Mr Menzies will, if elected, not qualify as an independent director.

The Board, other than Mr Menzies, unanimously recommends the election of Mr Menzies and you vote in favour of Resolution 2.

4. **RESOLUTION 3 – ELECTION OF DIRECTOR – SUSAN CORLETT**

4.1 **General information**

ASX Listing Rule 14.4 provides that a director appointed to fill a casual vacancy or as an addition to the board must not hold office (without election) past the next annual general meeting of the company. Clause 13.4 of the Constitution allows the Directors to appoint at any time a person to be a director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of directors does not at any time exceed the maximum number specified by the Constitution. Any Director so appointed holds office only until the next annual general meeting and is then eligible for election.

Ms Corlett, having been appointed as a non-executive Director on 3 October 2018 and in accordance with clause 13.4 of the Constitution and ASX Listing Rule 14.4 being eligible, seeks election from Shareholders.

Ms Corlett is a professional non-executive director following a 25-year executive career spanning mine operations, investment banking and private equity. Ms Corlett has served on ASX and TSX listed mining company boards and is currently a Trustee of the Australian Institute of Mining and Metallurgy (AusIMM) Education Endowment Fund, a director of The Foundation for National Parks and Wildlife (Chair of Risk and Audit) and director of The David Burgess Foundation.

Originally a geologist, Ms Corlett's background is in mining and exploration. She was most recently an Investment Director for global mining private equity fund, Pacific Road Capital Ltd and worked in mining credit risk management and project finance for Standard Bank Limited, Deutsche Bank and Macquarie Bank. Ms Corlett's qualifications include a Bachelor of Science (Hons. Geology) from the University of Melbourne. Ms Corlett is a Graduate of the Australian Institute of Company Directors and member of the AusIMM

4.2 **Proxy voting**

In accordance with the wishes of the Board, the Chair (where appropriately authorised) intends to vote all available undirected proxies in favour of Resolution 3.

4.3 **Directors' Recommendation**

The Board considers that Ms Corlett will, if elected, qualify as an independent director.

The Board, other than Ms Corlett, unanimously recommends the election of Ms Corlett and you vote in favour of Resolution 3.

5. **RESOLUTION 4 – APPROVAL OF ISSUE OF PERFORMANCE RIGHTS TO JIM SIMPSON**

5.1 **General information**

ASX Listing Rule 10.14 requires shareholder approval for the acquisition of securities by a director under an employee incentive scheme. If approved, the approval applies to the issue of the Performance Rights and the issue of ordinary fully paid shares (if any) on the vesting of the Performance Rights.

Resolution 4 is seeking shareholder approval for the grant of 2,541,964 Performance Rights to Mr Simpson under the Company's Performance Rights Plan (**Plan**).

The number of Performance Rights proposed to be issued to Mr Simpson is the maximum amount of Performance Rights that will vest if they satisfy what the Board considers stretch or outstanding performance achievement, as described below.

The actual extent to which the Board exercises its discretion to make awards will be determined by reference to the vesting percentage guide and the overall business performance of the Company. The number of performance rights that the Board in its discretion decides to vest on the relevant testing date will not exceed the percentages indicated under each heading of the vesting percentage guide herein.

The vesting of the Performance Rights incorporates performance conditions which trigger vesting at 'threshold' and 'target' performance levels and the vesting scales have been designed appropriately to reward the individual for exceptional Company performance.

The Performance Rights will be issued in accordance with the rules of the Plan in two tranches, with 1,270,982 Rights (Class 2018A) to be performance tested at the end of a two-year period ending 30 June 2020 and 1,270,982 Rights (Class 2018B) to be performance tested at the end of a three-year period ending 30 June 2021.

The first grant (Class 2018A) is a one off grant to reflect there was no LTIP grant made in 2017 and in recognition of the completion of the Peak Mine (**Peak**) acquisition. The grant is primarily designed to incentivise management to drive corporate goals at Peak given that there is an urgency to drive further improvement at this operation over the next two years, and to drive long term value to Shareholders. The Plan targets reflect this objective. These grants should be viewed as a maximum with an expectation that testing would normally result in a lower amount.

Subject to the satisfaction of the vesting conditions described below and to any adjustment in accordance with the rules of the Plan (e.g. upon a reconstruction of securities), Mr Simpson will receive one share in the Company for each vested Performance Right.

(a) **Vesting Conditions of the Performance Rights**

The Performance Rights will only vest on a date (**Relevant Date**) if Mr Simpson remains an employee of the Company up to and including that Relevant Date.

The number of Performance Rights which vest on the Relevant Dates will depend on the extent to which the vesting conditions applicable to the Performance Rights (**Vesting Conditions**) have been satisfied for the relevant period.

Upon the Vesting Conditions having been satisfied (as determined and ratified by the Board) Mr Simpson will be allocated one Share for each vested Performance Right. The Vesting Conditions will be based on:

1. Absolute TSR (Total Shareholder Return) Performance Rights

Performance Rights will be tested against the Company's absolute TSR performance relative to the Company's 30 day volume weighted average share price on ASX (**VWAP**) prior to 30 June 2018 (\$0.56/share), against the 30 day VWAP calculated at the testing date.

2. Relative TSR Performance Rights

Performance Rights will be tested against the Company's TSR performance relative to the Peer Group Companies (set out below). The Company's TSR will be based on the percentage by which its 30-day VWAP at the close of trade at the end of the vesting period (30 June 2020 for Class 2018A and 30 June 2021 for Class 2018B), has increased over the Company's 30-

day VWAP at the close of trade on the 30 June 2018 (\$0.56/share). The TSR for each Peer Group company will be calculated on the same basis over the same vesting period.

The 15 selected Peer Group Companies are: Dacian Gold (ASX:DCN), Ramelius Resources (ASX:RMS), Perseus Mining (ASX:PRU), Pantoro (ASX:PNR), WestGold Resources (ASX:WGX), Silver Lake Resources (ASX:SLR), Doray Minerals (ASX:DRM), Red River Resources (ASX:RVR), Gold Road Resources (ASX:GOR), Heron Resources (ASX:HRR), Millennium (ASX:MOY), Resolute Mining (ASX:RSG), Saracen Minerals (ASX:SAR), Sandfire Resources (ASX:SFR) and Metals X (ASX:MLX)

3. Peak Unit Costs

Performance Rights will be tested against Peak's average Total Site Unit Costs (mining, processing, administration, environmental compliance and sustaining capital cost per tonne of ore processed) in the 6-month period prior to the end of the vesting horizon.

4. Peak Process Rates (Class 2018A only)

Performance Rights will be tested against Peak's average ore processing throughput rate of primary mined ore in the 6-month period prior to the end of the vesting horizon.

5. Ore Reserves

The Class 2018A performance rights will be measured against Peak being able to demonstrate that it has 2.5 million tonnes of Ore Reserves which has a cash operating margin of \$100/t at unit costs achieved under Item 3 above, and at the Ore Reserve price deck approved by the Board.

The Class 2018B Performance rights will be measured against the requirement that all necessary access, environmental, development and mining approvals are in place to the full extent required to enable the immediate commencement of full scale mining of the Great Cobar and Nymagee deposits by 30 June 2021. Further the business being able to demonstrate that it has 5 years of Ore Reserves at each operation.

6. Growth (Class 2018B only)

The Class 2018B Performance rights will be awarded at Board discretion and growth could be in regard to exploration success, growth in high value inventory or a value adding transaction.

The proportion of Performance Rights that may be vested will be based on the following 'threshold' and 'target' levels. The issue of performance rights against these measures will be equally weighted.

Class 2018A vesting horizon – 30 June 2018 to 30 June 2020

Class 2018A	Threshold	Pro-rata	Target
Vesting percentage guide	Nil	50%	100%
1. Absolute TSR	15% pa	25% pa	35% pa
2. Relative TSR	≥50%tile	75%tile	100%tile
3. Peak unit costs	<\$170/t	<\$160/t	<\$150/t
4. Peak Process Rates	750 kt/y	775 kt/y	800 kt/y
5. Ore Reserves	Peak Ore Reserves of 2.5 Mt at cash operating margin of at least \$100/t		

Class 2018B vesting horizon – 30 June 2018 to 30 June 2021

Class 2018B	Threshold	Pro-rata	Target
Vesting percentage guide	Nil	50%	100%
1. Absolute TSR	15% pa	25% pa	35% pa
2. Relative TSR	≥50%tile	75%tile	100%tile
3. Ore Reserves	Geat Cobar & Nymagee permitting approvals in place + 5 Yrs Reserves at each operation		
4. Growth	Board discretion (exploration, replacement of high value reserves or value adding transaction)		

5.2 **Technical information required by ASX Listing Rule 10.15**

ASX Listing Rule 10.15 requires that the following information regarding the issue of Performance Rights be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to ASX Listing Rule 10.14:

- (a) A maximum of 2,541,964 Performance Rights will be issued to Mr Simpson. Depending on satisfaction of the Vesting Conditions in respect of the Performance Rights, up to 2,541,964 Shares may be issued to Mr Simpson.
- (b) No consideration is payable by Mr Simpson at the time of grant of the Performance Rights or upon the allocation of Shares to which Mr Simpson may become entitled to on the vesting of some or all of the Performance Rights. The grant of Performance Rights has performance hurdles attached to it as set out above.
- (c) Mr Simpson received 4,500,000 Performance Rights under the Plan for no consideration, as approved by Shareholders at the 2016 annual general meeting, being the last Shareholder approval under ASX Listing Rule 10.14 obtained by the Company.
- (d) The only person referred to in ASX Listing Rule 10.14 currently entitled to participate in the Plan is Mr Simpson.
- (e) A voting exclusion statement is set out in paragraph 5.5 below.
- (f) No loan has been or will be provided to Mr Simpson in relation to the issue of the Performance Rights.
- (g) The Performance Rights will be issued to Mr Simpson no later than 12 months after the date of the Annual General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules).
- (h) There will be no funds raised by the Company as a result of the issue of the Performance Rights to Mr Simpson or upon the allocation of Shares on the vesting of some or all of the Performance Rights to Mr Simpson.

5.3 **Proxy voting**

In accordance with the wishes of the Board, the Chair (where appropriately authorised) intends to vote all available undirected proxies in favour of Resolution 5.

5.4 **Directors' Recommendation**

- (a) Mr Simpson declines to make a recommendation to Shareholders in relation to Resolution 4 due to his material personal interest in the outcome of the Resolution.
- (b) The Board (other than Mr Simpson) recommends that Shareholders vote in favour of Resolution 4 for the following reasons:
 - (i) the grant of Performance Rights to Mr Simpson will align the interests of Mr Simpson with those of Shareholders;
 - (ii) the grant of the Performance Rights is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on

its operations than it would if alternative cash forms of remuneration were given to Mr Simpson; and

- (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Performance Rights upon the terms proposed.
- (c) In forming their recommendations, each Director (other than Mr Simpson) considered the experience of Mr Simpson, the current market price of Shares, the current market practices when determining the number of Performance Rights to be granted as well as any exercise price and Vesting Conditions of those Performance rights.
- (d) The Board (other than Mr Simpson) is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 4.

5.5 **Voting Exclusion**

In accordance with the ASX Listing Rules, the Company will disregard any votes cast in favour on Resolution 4 by any Director who is eligible to participate in the Plan in respect of which approval is sought under Resolution 4 and any of their associates. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the Chair 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. In addition, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 4 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 Resolution 4.

However, the above prohibition does not apply if:

- (c) the proxy is the Chair of the Meeting; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even if Resolution 4 is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

6. **RESOLUTION 5 – APPROVAL TO INCREASE DIRECTOR FEE POOL**

6.1 **General information**

It is proposed that the fee pool for Non-Executive Directors be increased from A\$600,000 to A\$750,000 per annum (an increase of A\$150,000). Directors' fees mean all fees payable to a non-executive director for acting as a director of the Company (or any subsidiary of the Company) and includes superannuation contributions for the benefit of a non-executive director and any fees which a non-executive director agrees to sacrifice for other benefits. It does not include reimbursement of genuine out-of-pocket expenses, genuine "special exertion" fees paid in accordance with the Constitution, or securities issues to a non-executive director under ASX Listing Rule 10.11 or 10.14 with the approval of the Company's shareholders.

In accordance with the ASX Listing Rules and the Constitution, the Company must not increase the aggregate fee pool for Non-Executive Directors' remuneration without the approval of Shareholders. The reasons for the proposed increase are as follows.

- The current aggregate Non-Executive Director fee pool limit of A\$650,000 per annum was set at the Company's Annual General Meeting on 22 November 2012. The Board has not sought to increase the total fee pool since 2012.
- Since this time, the Company has entered into production at the Hera Mine and significantly expanded its operations with the recent acquisition of Peak.
- The Board is currently taking external advice in relation to the appropriate level of Directors' fees.

The proposed increase to the Non-Executive Director fee pool is sought to provide sufficient scope for possible Board expansion, succession planning and ongoing flexibility; and to allow for the Board to set fees in light of current and expected future workload of Non-Executive Directors.

No securities have been issued to any Non-Executive Directors under ASX Listing Rules 10.11 or 10.14 with Shareholder approval at any time in the last three years.

6.2 Proxy voting

In accordance with the wishes of the Board, the Chair (where appropriately authorised) intends to vote all available undirected proxies in favour of Resolution 5.

6.3 Directors' Recommendation

The Board believes that Resolution 5 is in the best interests of the Company and its Shareholders and unanimously recommends that Shareholders vote in favour of the Resolution.

6.4 Voting Exclusion

In accordance with the ASX Listing Rules, the Company will disregard any votes cast in favour of this Resolution by Directors of the Company or any associate of a Director. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the Chair 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.

GLOSSARY

\$	Means Australian dollars.
Annual General Meeting or Meeting	Means the annual general meeting convened by this Notice.
associate	Has the meaning set out in the ASX Listing Rules.
ASX	Means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.
ASX Listing Rules	Means the listing rules of ASX.
Board	Means the current board of directors of the Company.
Business Day	Means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.
Chair	Means the chair of the Meeting.
Closely Related Party	(Of a member of the Key Management Personnel) means: <ul style="list-style-type: none">• a spouse or child of the member;• a child of the member's spouse;• a dependent of the member or the member's spouse;• anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;• a company the member controls; or• a person prescribed by the <i>Corporations Regulations 2001</i> (Cth) for the purposes of the definition of "closely related party" in the Corporations Act.
Company	Means Aurelia Metals Limited (ACN 108 476 384).
Constitution	Means the Company's constitution.
Corporations Act	Means the <i>Corporations Act 2001</i> (Cth).
Director/s	Means a current director, or the current directors, of the Company (as the context requires).
Explanatory Memorandum	This explanatory memorandum accompanying, and forming part of, the Notice.
Glencore	Means Glencore Australia Holdings Pty Ltd.

Key Management Personnel	Has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.
Notice or Notice of Meeting	Means this notice of meeting including the Notes, Explanatory Memorandum and the Proxy Form.
Peak	Means Peak Gold Mines.
Performance Rights	Means a performance right issued under the Plan.
Plan	Means the Aurelia Metals Limited Performance Rights Plan.
Proxy Form	Means the proxy form accompanying and forming part of this Notice.
Remuneration Report	Means the remuneration report set out in the Director's Report section of the Company's annual report for the financial year ended 30 June 2018.
Resolution/s	Means the resolutions set out in this Notice, or any one of them (as the context requires).
Share	Means a fully paid ordinary share in the capital of the Company.
Shareholder	Means the registered holder of a Share.
Share Registry	Means Security Transfer Registrars Pty Limited.

AURELIA METALS LIMITED

ACN: 108 476 384

REGISTERED OFFICE:

SUITE 5, LEVEL 2
60 - 62 MCNAMARA ST
ORANGE NSW 2800

SHARE REGISTRY:

Security Transfer Australia Pty Ltd

All Correspondence to:

PO BOX 52

Collins Street West VIC 8007

Suite 913, Exchange Tower

530 Little Collins Street

Melbourne VIC 3000

T: 1300 992 916 F: +61 8 9315 2233

E: registrar@securitytransfer.com.au

W: www.securitytransfer.com.au

«EFT_REFERENCE_NUMBER»

«Holder_name»
«Address_line_1»
«Address_line_2»
«Address_line_3»
«Address_line_4»
«Address_line_5»

«Company_code» «Sequence_number»

Code:

AMI

Holder Number:

«HOLDER_NUM

PROXY FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

**VOTE
ONLINE**

Lodge your proxy vote securely at www.securitytransfer.com.au

1. Log into the Investor Centre using your holding details.
2. Click on "Proxy Voting" and provide your Online Proxy ID to access the voting area.

«ONLINE

SECTION A: Appointment of Proxy

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

The meeting chairperson

OR

or failing the person named, or if no person is named, the Chairperson 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, as the Proxy sees fit) at the Annual General Meeting of the Company to be held at 9:00am AEDT on Thursday 29 November 2018 at The Preston Room, Ground Floor, Amora Hotel Jamison Sydney, 11 Jamison Street, Sydney NSW 2000 and at any adjournment of that meeting.

SECTION B: Voting Directions

Please mark "X" in the box to indicate your voting directions to your Proxy. The Chairperson of the Meeting intends to vote undirected proxies in FAVOUR of all the resolutions.

In exceptional circumstances, the Chairperson of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

RESOLUTION

1. Adoption of the Remuneration Report
2. Re-election of Michael Menzies
3. Election of Susan Corlett
4. Approval of Issue of Performance Rights to Jim Simpson
5. Approval to increase Director Fee Pool

For Against Abstain*

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no directions are given my proxy may vote as the proxy thinks fit or may abstain. * If you mark the Abstain box for a particular item, you are directing your Proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SECTION C: Signature of Security Holder(s)

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder

Security Holder 2

Security Holder 3

Sole Director & Sole Company Secretary

Director

Director/Company Secretary

Proxies must be received by Security Transfer Australia Pty Ltd no later than 9:00am AEDT on Tuesday 27 November 2018.

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My/Our contact details in case of enquiries are:

Name:

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Number:

(

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)

1. NAME AND ADDRESS

This is the name and address on the Share Register of the Company. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

2. APPOINTMENT OF A PROXY

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a shareholder of the Company.

3. DIRECTING YOUR PROXY HOW TO VOTE

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

4. APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two (2) persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second Proxy, an additional Proxy form may be obtained by contacting the Company's share registry or you may photocopy this form.

To appoint a second Proxy you must:

- a) On each of the Proxy forms, state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each Proxy may exercise, each Proxy may exercise half of your votes; and
- b) Return both forms in the same envelope.

5. SIGNING INSTRUCTIONS

Individual: where the holding is in one name, the Shareholder must sign.

Joint Holding: where the holding is in more than one name, all of the Shareholders must sign.

Power of Attorney: to sign under Power of Attorney you must have already lodged this document with the Company's share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

6. LODGEMENT OF PROXY

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Australia Pty Ltd no later than the date and time stated on the form overleaf. Any Proxy form received after that time will not be valid for the scheduled meeting.

The proxy form does not need to be returned to the share registry if the votes have been lodged online.

Security Transfer Australia Pty Ltd

Online www.securitytransfer.com.au

Postal Address PO BOX 52
Collins Street West VIC 8007

Street Address Suite 913, Exchange Tower
530 Little Collins Street
Melbourne VIC 3000

Telephone 1300 992 916

Facsimile +61 8 9315 2233

Email registrar@securitytransfer.com.au

PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Australia Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Australia Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.

