

**MIDDLE ISLAND RESOURCES LIMITED**  
**ABN 70 142 361 608**

**NOTICE OF ANNUAL GENERAL MEETING**

**AND**

**EXPLANATORY STATEMENT**

**AND**

**PROXY FORM**

**Date of Meeting**

28 November 2019

**Time of Meeting**

2:30pm WST

**Place of Meeting**

The Celtic Club  
48 Ord Street  
WEST PERTH WA 6005

*This Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.*

*The **2019 Annual Report** may be viewed on the Company's website at [www.middleisland.com.au](http://www.middleisland.com.au)*

**MIDDLE ISLAND RESOURCES LIMITED**  
**ABN 70 142 361 608**  
**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 2019 annual general meeting of Middle Island Resources Limited (**Company**) will be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia on 28 November 2019 at 2:30pm WST (**Meeting**) for the purpose of transacting the following business, in each case, as more particularly described in the Explanatory Statement accompanying this Notice.

Capitalised terms and abbreviations used in this Notice and Explanatory Statement are defined in the Glossary.

### **2019 FINANCIAL STATEMENTS AND REPORTS**

To receive and consider the Financial Report, together with the Directors' Report and the Auditor's Report, for the financial year ended 30 June 2019.

### **RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT**

To consider and, if thought fit, to pass, with or without amendment, the following **advisory only resolution**:

*"That, for the purpose of section 250R(2) of the Corporations Act, and for all other purposes, the Remuneration Report forming part of the Company's 2019 Annual Report be adopted."*

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

**Voting prohibition statement:** Pursuant to section 250R(4) of the Corporations Act, the Company will disregard any votes cast on this Resolution by or on behalf of:

- (a) a member of the Key Management Personnel whose remuneration is included in the Remuneration Report; or
- (b) a Closely Related Party of such a member (each a Prohibited Person).

However, the Company will not disregard a vote if the vote is cast:

- (a) by a Prohibited Person as proxy appointed in writing, that specifies how the proxy is to vote on the proposed Resolution, and the vote is not cast on behalf of a Prohibited Person; or
- (b) by the Chair as proxy for a person entitled to vote and who does not specify a voting direction on the Proxy Form provided that the proxy appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel.

### **RESOLUTION 2 – RE-ELECTION OF MR PETER THOMAS AS A DIRECTOR**

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

*"That, for the purpose of article 6.3 of the Constitution and for all other purposes, Mr Peter Thomas retires by rotation as a Director, and being eligible and having offered himself for re-election, is re-elected as a Director."*

### **RESOLUTION 3 – APPROVAL OF 10% PLACEMENT FACILITY**

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

*"That in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities of up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement."*

**Voting exclusion:** For the purposes of Listing Rule 7.3A, the Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who may participate in the 10% Placement Facility or 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 of their Associates, unless it is cast:

- (a) by a person as proxy for a person who is entitled to vote (in accordance with the directions on the Proxy Form); or
- (b) by the Chair as proxy for a person who is entitled to vote (in accordance with the directions on the Proxy Form to vote as the proxy decides).

## **OTHER BUSINESS**

To deal with any other business that may be brought forward in accordance with the Constitution and the Corporations Act.

## **PROXIES**

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a "proxy") to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions on the form. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- a proxy need not be a member of the Company; and
- a member of the Company 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, but where the proportion or number is not specified, each proxy may exercise half of the votes.

If you are a registered Shareholder of the Company and are unable to attend the Meeting in person, please date and execute the accompanying Proxy Form and return it in accordance with its instructions prior to 2:30pm WST on 26 November 2019 by:

1. post to Security Transfer Australia Pty Ltd, PO Box 52, Collins Street West VIC 8007;
2. facsimile to Security Transfer Australia Pty Ltd at (08) 9315 2233 (International: +61 8 9315 2233);
3. email at [registrar@securitytransfer.com.au](mailto:registrar@securitytransfer.com.au); or
4. online at [www.securitytransfer.com.au](http://www.securitytransfer.com.au).

If you are a beneficial Shareholder and receive these materials through your broker or through another intermediary, please complete and return the Proxy Form or voting instruction form in accordance with the instructions provided to you by your broker or by the other intermediary.

## **ENTITLEMENT TO VOTE**

For the purposes of regulation 7.11.37 of the Corporations Regulations 2001, the Company determines that members holding Shares at 5:00pm WST on 26 November 2019 will be entitled to attend and vote at the Meeting.

## **CORPORATIONS**

A corporation may elect to appoint a representative in accordance with the Corporations Act, in which case the Company will require written proof of the representative's appointment, which must be lodged with, or presented to the Company, before the Meeting.

## **ELECTRONIC COMMUNICATION**

All Shareholders may elect to receive communications from the Company's share registry electronically. To provide or update your email address, please contact the Company's share registry.

## **REVOCATION OF PROXIES**

A Shareholder executing and delivering a proxy has the power to revoke it in accordance with the provisions of the Corporations Act, which provides that every proxy may be revoked by an instrument in writing executed by the Shareholder or by his or her attorney authorised in writing and delivered either to the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof at which the proxy is to be used, or to the Chair on the day of the Meeting or any adjournment thereof, or in any other manner permitted by law.

## **VOTING OF PROXIES**

The Proxy Form accompanying this Notice confers discretionary authority upon the proxy with respect to any amendments or variations to the matters identified in the Notice of Meeting and any other matters that may properly come before the Meeting. At the time of printing this Notice, management knows of no such amendment, variation or other matter.

Shareholders must mark the boxes directing its proxy how to vote. If no voting instructions are indicated on the Proxy Form, the proxy will be voted as recommended by management or as the proxyholder sees fit (in the latter case, if management is not appointed as proxy).

By Order of the Board.



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Dennis Wilkins  
Company Secretary  
Date: 8 October 2019

## EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's 2019 annual general meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the resolutions in the accompanying Notice.

This Explanatory Statement should be read in conjunction with the Notice. Capitalised terms in this Explanatory Statement are defined in the Glossary.

### FINANCIAL STATEMENTS AND REPORTS

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report, for the financial year ended 30 June 2019.

There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered a reasonable opportunity to:

- (a) discuss the Annual Report which is available online from the Company's website [www.middleisland.com.au](http://www.middleisland.com.au);
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit, the preparation and content of the Auditor's Report, accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

In addition to taking questions at the Meeting, written questions to the Company's auditor if the question is relevant to:

- (a) the content of the Auditor's Report; or
- (b) the conduct of the audit of the Annual Report to be considered at the Meeting,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office (+61 8 9389 2111).

## 1 RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

### 1.1 General

In accordance with subsection 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the Key Management Personnel.

In accordance with subsection 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

The *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011*, which came into effect on 1 July 2011, amended the Corporations Act to provide that Shareholders will have the opportunity to remove the whole Board (except the managing director) if the Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive AGMs.

Where a resolution on the Remuneration Report receives a Strike at two consecutive AGMs, the Company will be required to put to Shareholders at the second AGM a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2018 AGM. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2020 AGM, this may result in the re-election of the Board.

The Chair will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on, the Remuneration Report.

### 1.2 Voting on the Remuneration Report

Please refer to the voting prohibition set out in the Notice for the persons who are not entitled to vote on Resolution 1.

The Chair intends to exercise all available proxies in favour of Resolution 1.

If the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

### **1.3 Directors' Recommendation**

The Directors recommend that Shareholders vote in favour of adopting the Remuneration Report.

## **2 RESOLUTION 2 – RE-ELECTION OF MR PETER THOMAS AS A DIRECTOR**

### **2.1 General**

Mr Peter Thomas was appointed as a non-executive Director on 2 March 2010.

In accordance with Listing Rule 14.4, no director of the Company may hold office (without re-election) past the third AGM following the director's appointment or 3 years, whichever period is longer. The Company's Constitution also requires that one third of the Company's directors must retire at each AGM. Accordingly, Mr Peter Thomas will retire by rotation and, being eligible, offers himself for re-election.

Resolution 2 is an ordinary resolution, requiring it to be passed by a simple majority of votes cast by the Shareholders entitled to vote on it.

### **2.2 Director's Biography**

Mr Peter Thomas has served on ASX listed company boards for some 30 years and has been the non-executive chair of the Company since its registration in March 2010. For over 30 years until June 2011, Mr Thomas ran a legal practice on his own account specialising in the delivery of wide ranging legal, corporate and commercial advice to listed explorers and miners. Mr Thomas is currently a director of listed companies Emu NL and Image Resources NL and recently of Magnetic Resources NL (resigned July 2013) and Meteoric Resources NL (resigned September 2014).

### **2.3 Directors' Recommendation**

All the Directors consider that Resolution 2 is in the best interests of the Company, as Mr Thomas' skills, knowledge and experience of legal practice and ASX listed company boards is valuable to the Company. All the Directors, except Mr Thomas, who has an interest in this Resolution, recommend that Shareholders vote in favour of Resolution 2.

The Chair intends to exercise all undirected proxies in favour of Resolution 2.

## **3 RESOLUTION 3 – APPROVAL OF 10% PLACEMENT FACILITY**

### **3.1 General**

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

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. Based on the closing price of Shares on 8 October 2019, the market capitalisation of the Company is \$7,327,965. As the Company is not included in the S&P/ASX 300 Index, the Company is an eligible entity as at the date of this Notice. If, on the date of the Meeting, the Company is not an eligible entity under the Listing Rules for the purposes of Listing Rule 7.1A, then Resolution 3 will be withdrawn.

The Company is now seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility. The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 3.2(c) below).

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

#### *(a) Shareholder approval*

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

#### *(b) Equity Securities*

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

The Company, as at the date of the Notice, has on issue three classes of Equity Securities, being listed Shares and two classes of unlisted Options.

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

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

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

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

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

**D** is 10%.

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

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

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

At the date of this Notice, the Company has on issue 1,046,852,156 Shares and, assuming Shareholders approve Resolution 3, has a capacity to issue:

- (i) 157,027,823 Equity Securities under Listing Rule 7.1; and
- (ii) 104,685,215 Equity Securities under Listing Rule 7.1A.

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

(e) *Minimum Issue Price*

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

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

(f) *10% Placement Period*

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

- (i) the date that is 12 months after the date of the AGM at which the approval is obtained; or
- (ii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

**(10% Placement Period).**

### 3.3 Listing Rule 7.1A

The effect of Resolution 3 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

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

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

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the volume weighted average price for the relevant class of the Company's Equity Securities over the 15 Trading Days in which trades in the class were recorded immediately before:
  - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
  - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 3 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:
  - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the meeting; and
  - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the relevant class of the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

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

The table shows:

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

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$0.0035 50% decrease in Issue Price	\$0.007 Issue Price	\$0.014 100% increase in Issue Price
Current Variable A 1,046,852,156 Shares	10% voting dilution	104,685,215 Shares		
	Funds raised	\$366,398	\$732,797	\$1,465,593
50% increase in current Variable A 1,570,278,234 Shares	10% voting dilution	157,027,823 Shares		
	Funds raised	\$549,597	\$1,099,195	\$2,198,390
100% increase in current Variable A 2,093,704,312 Shares	10% voting dilution	209,370,431 Shares		
	Funds raised	\$732,797	\$1,465,593	\$2,931,186



**The table has been prepared on the following assumptions:**

- (i) Shareholders approve Resolution 3.
  - (ii) The Company issues, in a single allotment, the maximum number of Equity Securities available under the 10% Placement Facility.
  - (iii) No Convertible Securities (including any Convertible Securities issued under the 10% Placement Facility) are converted into Shares before the date of the issue of the Equity Securities.
  - (iv) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
  - (v) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of this Meeting.
  - (vi) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
  - (vii) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Convertible Securities, it is assumed that those Convertible Securities are converted into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
  - (viii) The issue price is \$0.007 being the closing price of Shares on the ASX on 8 October 2019.
- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 3 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
  - (d) The Company may seek to issue the Equity Securities to raise funds for making (or to securing the right to make) one or more acquisitions and/or to further its existing projects; and/or general working capital; so that the Company has the necessary working capital and flexibility to consider, and if thought fit, to put it in a stronger position to make (or to secure the right to make) one or more acquisitions and/or to further its existing projects.
  - (e) The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.
  - (f) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
    - (i) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
    - (ii) the effect of the issue of the Equity Securities on the control of the Company;
    - (iii) the financial situation and solvency of the Company; and
    - (iv) advice from corporate, financial and broking advisers (if applicable).
  - (g) The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not a related party or an Associate of a related party of the Company.
  - (h) The Company previously obtained Shareholder approval under Listing Rule 7.1A at the 2018 AGM on 8 November 2018.

In accordance with Listing Rule 7.3A.6, as at the date of this Notice, the total number of Equity Securities issued in the 12 months preceding the date of the Meeting is 697,901,438 representing 95.9% of the Equity Securities on issue at the commencement of the 12 month period.

As at the date of this Notice, the Company has issued the following Equity Securities in the 12 months preceding the date of the Meeting:

**MIDDLE ISLAND RESOURCES LIMITED**

Notice of Annual General Meeting 28 November 2019

Date of Issue	Number of Securities	Class	Issue Price	Discount to Market price	Total Consideration	Issued to	Current valuation
18/01/2019	348,950,719	Fully paid ordinary shares	\$0.004	33.3%	\$1,395,803	Existing shareholders pursuant to Entitlements Issue	\$2,442,655 (at Share price of \$0.007 as at 8 October 2019)
18/01/2019	348,950,719	Unlisted options (exercise price \$0.008, expiry 31 January 2022)	Nil	N/A	Nil	Existing shareholders pursuant to Entitlements Issue	Free attaching option pursuant to Entitlements Issue
<b>TOTAL</b>	<b>697,901,438</b>				<b>\$1,395,803</b>		

- (i) The Company has spent \$1,141,126 of the funds it has raised in the 12 months preceding the date of this Notice on completing further exploration and development work at the Sandstone Project, pursuing the consolidation of proximal third-party gold deposits, and corporate expenses. The intended use of the remaining funds is for general working capital purposes.
- (j) A voting exclusion statement is included in the Notice.
- (k) At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

**3.5 Directors' Recommendation**

Based on the information available, including the information contained in this Explanatory Statement, all the Directors consider that Resolution 3 is in the best interests of the Company and recommend that Shareholders vote in favour of Resolution 3. The Directors have formed this view as the passing of this Resolution will provide greater flexibility when considering future capital raising opportunities. The passing of Resolution 3 will increase the Directors' ability to issue new Shares permitted by the Listing Rules without requiring Shareholder approval. Application of this additional placement capacity has historically been utilised by the Company in a very judicious manner (or not at all) that has, at all times, been cognisant of potential Shareholder dilution.

Resolution 3 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Chair intends to exercise all undirected proxies in favour of Resolution 3.

**OTHER BUSINESS**

The Company is not aware of any other business to come before the Meeting other than as set forth in the accompanying Notice.

## GLOSSARY

In this Explanatory Statement and the Notice, the following terms have the following meanings unless the context otherwise requires:

**10% Placement Facility** has the meaning given in Section 3.1 of the Explanatory Statement;

**10% Placement Period** has the meaning given in Section 3.2(f) of the Explanatory Statement;

**AGM** means an annual general meeting;

**Annual Report** means the Directors' Report, the Financial Report and Auditor's Report, in respect of the financial year ended 30 June 2019;

**Associate** has the same meaning as defined in section 11 and section 13 to 17 of the Corporations Act;

**ASX** means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited;

**Auditor's Report** means the auditor's report on the Financial Report;

**Board** means the board of Directors;

**Chair** means the person appointed to chair the Meeting, or any part of the Meeting;

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

- 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 *Corporations Regulations 2001 (Cth)*;

**Company** means Middle Island Resources Limited ABN 70 142 361 608;

**Convertible Security** means a security of the Company which is convertible into Shares;

**Constitution** means the Company's constitution, as amended from time to time;

**Corporations Act** means *Corporations Act 2001 (Cth)*;

**Director** means a director of the Company;

**Directors' Report** means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

**Equity Securities** has the same meaning as in the Listing Rules;

**Explanatory Statement** means the explanatory statement accompanying this Notice;

**Financial Report** means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

**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, directly or indirectly, including any director (whether executive or otherwise) of the Company;

**Listing Rules** means the listing rules of the ASX;

**Meeting** has the meaning in the introductory paragraph of the Notice;

**Notice** means this notice of annual general meeting;

**Option** means an option to acquire a Share;

**Prohibited Person** means a member of the Key Management Personnel whose remuneration is disclosed in the Remuneration Report and their Closely Related Parties;

**MIDDLE ISLAND RESOURCES LIMITED**

Notice of Annual General Meeting 28 November 2019

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**Proxy Form** means the proxy form attached to this Notice;

**Remuneration Report** means the section of the Directors' Report contained in the Annual Report entitled 'remuneration report';

**Resolution** means a resolution contained in this Notice;

**Section** means a section of the Explanatory Statement;

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

**Shareholder** means the holder of a Share;

**Strike** has the meaning set out in Section 1.1 of the Explanatory Statement;

**Trading Day** means a day determined by ASX to be a trading day in accordance with the Listing Rules; and

**WST** means Australian Western Standard Time.

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# MIDDLE ISLAND RESOURCES LIMITED

ACN: 142 361 608

REGISTERED OFFICE:  
SUITE 2  
11 VENTNOR AVENUE  
WEST PERTH WA 6005

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«EFT\_REFERENCE\_NUMBER»

«Company\_code» «Sequence\_number»

«Holder\_name»  
«Address\_line\_1»  
«Address\_line\_2»  
«Address\_line\_3»  
«Address\_line\_4»  
«Address\_line\_5»

**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  
E: registrar@securitytransfer.com.au  
W: www.securitytransfer.com.au

Code:

Holder Number:

## 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.

<b>VOTE ONLINE</b>	Lodge your proxy vote securely at <a href="http://www.securitytransfer.com.au">www.securitytransfer.com.au</a>	<input type="text" value="«ONLINE»"/>
	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.	

### 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 2:30pm WST on Thursday 28 November 2019 at The Celtic Club, 48 Ord Street, WEST PERTH WA 6005 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	For	Against	Abstain*
1. ADOPTION OF REMUNERATION REPORT <sup>+</sup>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. RE-ELECTION OF MR PETER THOMAS AS A DIRECTOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. APPROVAL OF 10% PLACEMENT FACILITY	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

+ If no directions are given on Resolution 1, I/we expressly authorise the Chairperson to exercise my/our proxy

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
<input type="text"/>	<input type="text"/>	<input type="text"/>
Sole Director & Sole Company Secretary	Director	Director/Company Secretary

Proxies must be received by Security Transfer Australia Pty Ltd no later than 2:30pm WST on Tuesday 26 November 2019.



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

<b>Online</b>	www.securitytransfer.com.au
<b>Postal Address</b>	PO BOX 52 Collins Street West VIC 8007
<b>Street Address</b>	Suite 913, Exchange Tower 530 Little Collins Street Melbourne VIC 3000
<b>Telephone</b>	1300 992 916
<b>Facsimile</b>	+61 8 9315 2233
<b>Email</b>	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.

