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Musgrave Minerals Limited  
ABN 12 143 890 671

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**NOTICE OF GENERAL MEETING**  
**EXPLANATORY STATEMENT**  
**PROXY FORM**

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**Date of Meeting**  
17 July 2017

**Time of Meeting**  
10.00am (WST)

**Place of Meeting**  
Grant Thornton  
Level 2, 10 Kings Park Road,  
West Perth, Western Australia, 6005

Please read this Notice of General Meeting and Explanatory Statement carefully.  
If you are unable to attend the General Meeting please complete and return the enclosed Proxy Form in accordance with the specified directions.

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**NOTICE IS HEREBY GIVEN** that a General Meeting of Shareholders of Musgrave Minerals Limited will be held at Grant Thornton, Level 2, 10 Kings Park Road, West Perth, Western Australia on Monday 17 July 2017 at 10.00am (WST), for the purpose of transacting the business referred to in this Notice of General Meeting (**Notice**).

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Meeting. The Explanatory Statement and Proxy Form form part of this Notice of Meeting. Terms and abbreviations used in this Notice and Explanatory Statement are defined in Schedule 1 of the Explanatory Statement.

Shareholders are urged to vote by attending the Meeting in person or by returning a completed Proxy Form. Instructions on how to complete a Proxy Form are set out in the Explanatory Statement.

Proxy Forms must be received by no later than 10.00am (WST) on 15 July 2017.

## **AGENDA**

### **RESOLUTION 1 – RATIFICATION OF 40,000,000 PLACEMENT SHARES**

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

*“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 40,000,000 Shares to institutional, sophisticated and professional investors on the terms and conditions as 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.

By Order of the Board.



**PATRICIA FARR**  
Company Secretary  
2 June 2017

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## **EXPLANATORY STATEMENT**

### **1. INTRODUCTION**

This Explanatory Statement has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Grant Thornton, Level 2, 10 Kings Park Road, West Perth, Western Australia on 17 July 2017 at 10.00am (WST). The purpose of this Explanatory Statement is to provide information to Shareholders in deciding how to vote on the Resolutions set out in the Notice.

This Explanatory Statement should be read in conjunction with and forms part of the accompanying Notice, and includes the following:

A Proxy Form is located at the end of the Explanatory Statement.

Please contact the Company Secretary on +61 8 9324 1061 if you wish to discuss any matter concerning the meeting.

### **2. ACTION TO BE TAKEN BY SHAREHOLDERS**

Shareholders should read the Notice and this Explanatory Statement carefully before deciding how to vote on the Resolutions.

#### **2.1 Voting in person**

A shareholder that is an individual may attend and vote in person at the meeting. If you wish to attend the meeting, please bring the enclosed proxy form to the meeting to assist in registering your attendance and number of votes. Please arrive 20 minutes prior to the start of the meeting to facilitate this registration process.

#### **2.2 Voting by proxy**

If you do not wish to attend the meeting, you may appoint a proxy to attend and vote on your behalf. A body corporate may also appoint a proxy. A proxy need not be a shareholder. If a representative of a corporate proxy is to attend the meeting, you must ensure that the appointment of the representative is in accordance with section 250D of the Corporations Act. The corporate representative should bring to the meeting evidence of his or her appointment, including any authority under which the appointment is signed. A form of the certificate may be obtained from the Company's share registry.

You are entitled to appoint up to 2 proxies to attend the meeting and vote on your behalf and may specify the proportion or number of votes that each proxy is entitled to exercise. If you do not specify the proportion or number of votes that each proxy is entitled to exercise, each proxy may exercise half of the votes. If you wish to appoint a second proxy, an additional proxy form may be obtained by telephoning the Company's share registry or you may copy the enclosed proxy form. To appoint a second proxy, you must follow the instructions on the proxy form.

Sections 250BB and 250BC of the Corporations Act took effect on 1 August 2011 and apply to voting by proxy. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this meeting. Broadly, the changes 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 chairman of the meeting, who must vote the proxies as directed.

If the proxy has two or more appointments that specify different ways to vote on a resolution, the proxy must not vote on that resolution on a show of hands.

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To be valid, your proxy form (and any power of attorney under which it is signed) must be received at an address given below by 10.00am WST on 15 July 2017. Any proxy form received after that time will not be valid for the scheduled meeting.

<b>Online</b>	At <a href="http://www.investorvote.com.au">www.investorvote.com.au</a>
<b>By mail</b>	Share Registry – Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Victoria, 3001, Australia
<b>By fax</b>	1800 783 447 (within Australia) +61 3 9473 2555 (outside Australia)
<b>By mobile</b>	Scan the QR Code on your proxy form and follow the prompts
<b>Custodian voting</b>	For Intermediary Online subscribers only (custodians) please visit <a href="http://www.intermediaryonline.com">www.intermediaryonline.com</a> to submit your voting intentions

### 2.3 Corporate representatives

Shareholders who are body corporate may appoint a person to act as their corporate representative at the Meeting by providing that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as the body corporate's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

An appointment of corporate representative form is available from the website of the Company's share registry ([www.computershare.com.au](http://www.computershare.com.au)).

### 2.4 Eligibility to vote

The Directors have determined that, pursuant to Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered holders of Shares at 5.00pm (WST) on 15 July 2017.

## 3. RESOLUTION 1 - RATIFICATION OF 40,000,000 PLACEMENT SHARES

### 3.1 General

As announced to ASX on 19 May 2017, the Company the Company issued 27,006,867 Shares pursuant to the Company's capacity under ASX Listing Rule 7.1 at an issue price of \$0.075 per Share and 12,993,133 Shares pursuant to the Company's capacity under ASX Listing Rule 7.1A (**Placement Shares**) to raise a total of \$3,000,000 (before costs) (**Placement**). The Shares were issued to institutional, sophisticated and professional investor clients of Patersons Securities Limited.

ASX Listing Rule 7.1 broadly provides that a company may, during any 12 month period, issue equity securities up to 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period without shareholder approval. ASX Listing Rule 7.1A enables certain eligible entities to seek shareholder approval to issue Equity Securities up to 10% of its issued share capital over a 12 month period after the annual general meeting at which a resolution for the purposes of ASX Listing Rule 7.1A is passed by special resolution. This additional 10% placement capacity is in addition to a company's 15% placement capacity under ASX Listing Rule 7.1. The Company obtained approval from Shareholders to issue Equity Securities under ASX Listing Rule 7.1A at the Company's last annual general meeting held on 3 November 2016.

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ASX Listing Rule 7.4 permits the ratification of securities issued without shareholder approval under ASX Listing Rule 7.1 and ASX Listing Rule 7.1A. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 and ASX Listing Rule 7.1A (and provided that the previous issue did not breach ASX Listing Rule 7.1 and ASX Listing Rule 7.1A), those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1. The purpose of such ratification is to restore the Company's power to issue further securities without shareholder approval within the 15% limit under ASX Listing Rule 7.1 and additional capacity under ASX Listing Rule 7.1A.

Accordingly, Resolution 1 seeks Shareholder ratification of the issue of the Placement Shares under ASX Listing Rule 7.4 to provide flexibility for the Company to issue equity securities in the future up to the 15% placement capacity set out in ASX Listing Rule 7.1 and additional 10% capacity as set out in ASX Listing Rule 7.1A without the requirement to obtain prior Shareholder approval.

### **3.2 Technical information required by ASX Listing Rule 7.5**

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

- (a) a total of 40,000,000 Shares were issued where:
  - (i) 27,006,867 Shares were issued under the Company's annual 15% placement capacity pursuant to ASX Listing Rule 7.1 at an issue price of \$0.075 per Share; and
  - (ii) 12,993,133 Shares were issued under the Company's additional 10% placement capacity pursuant to ASX Listing Rule 7.1A at an issue price of \$0.075 per Share;
- (b) 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;
- (c) the Shares were issued to institutional, sophisticated and professional investor clients of Patersons Securities Limited, each of whom is not a related party of the Company;
- (d) the funds raised from the issue will be directed towards further drilling of the high grade Break of Day gold deposit to define the strike length of the high grade gold lodes and commence a scoping study on the Moyagee Development Project (which includes the Lena and Break of Day gold deposits), regional exploration and for additional working capital purposes; and
- (e) a voting exclusion statement for Resolution 1 is included in the Notice of Meeting preceding this Explanatory Statement.

### **3.3 Board recommendation**

The Board recommends Shareholders vote in favour of Resolution 1.


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## SCHEDULE 1 DEFINITIONS

In this Notice and Explanatory Statement:

<b>\$</b>	means Australian dollars, unless otherwise stated.
<b>ASX</b>	means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange operated by ASX Limited, as the context requires.
<b>ASX Listing Rules</b>	means the rules governing the operation of the ASX.
<b>Board</b>	means the board of Directors.
<b>Business Day</b>	means every day other than a Saturday, Sunday, New Years Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.
<b>Chair</b>	means the chair of the Meeting.
<b>Company</b>	means Musgrave Minerals Limited (ACN 143 890 671).
<b>Corporations Act</b>	means the <i>Corporations Act 2001</i> (Cth) as amended.
<b>Director</b>	means a director of the Company.
<b>Explanatory Statement</b>	means this explanatory statement.
<b>Listing Rule</b>	means the listing rules of the ASX.
<b>Meeting or General Meeting</b>	means the meeting convened by this Notice (as adjourned from time to time).
<b>Notice or Notice of Meeting</b>	means this notice of meeting.
<b>Placement Shares</b>	has the meaning given in section 3.1 of the Explanatory Statement.
<b>Proxy Form</b>	means the proxy form attached to this Notice.
<b>Resolution</b>	means a resolution set out in the Notice.
<b>Share</b>	means a fully paid ordinary share in the capital of the Company.
<b>Shareholder</b>	means a holder of a Share.
<b>WST</b>	means Western Standard Time.

## Lodge your vote:

 **Online:**  
www.investorvote.com.au

 **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 850 505  
(outside Australia) +61 3 9415 4000

## Proxy Form

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### Vote online

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

### Your access information that you will need to vote:

**Control Number: 189473**

**SRN/HIN:**

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



 **For your vote to be effective it must be received by 10.00am (WST) Saturday, 15 July 2017**

### 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 for Postal Forms

**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](http://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.

**GO ONLINE TO VOTE,  
or turn over to complete the form** →

**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.

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of Musgrave Minerals 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 Musgrave Minerals Limited to be held at Grant Thornton, Level 2, 10 Kings Park Road, West Perth, Western Australia on Monday, 17 July 2017 at 10.00am (WST) and at any adjournment or postponement of that meeting.

## STEP 2 Item 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.

Resolution 1 Ratification of 40,000,000 Placement Shares

For  Against  Abstain

The Chairman of the Meeting intends to vote undirected proxies in favour of the item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on the 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 / /