
AURIS MINERALS LIMITED

ACN 085 806 284

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 2:00PM (WST)

DATE: 27 November 2018

PLACE: Ground Floor, 216 St Georges Terrace, Perth, Western Australia

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

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.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00 pm (WST) on 25 November 2018.

BUSINESS OF THE MEETING

AGENDA

1. 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.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2018.”

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

Voting Prohibition Statement:

A vote on this Resolution 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 (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) 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 this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. RESOLUTION 2 – ELECTION OF DIRECTOR – MR CRAIG HALL

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

“That, for the purpose of clause 12.8 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Hall, a Director who was appointed on 1 August 2018, retires, and being eligible, is elected as a Director.”

4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR ROB MARTIN

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

“That, for the purpose of clause 12.3 of the Constitution and for all other purposes, Mr Martin, a Director who retires by rotation, and being eligible, is elected as a Director.”

5. **RESOLUTION 4 – ISSUE OF RELATED PARTY OPTIONS TO MR NEVILLE BASSETT**

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

“That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 4,000,000 Related Party Options to Mr Neville Bassett (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Neville Bassett (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

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

6. **RESOLUTION 5 – ISSUE OF RELATED PARTY OPTIONS TO MR ROB MARTIN**

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

“That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 4,000,000 Related Party Options to Mr Rob Martin (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Rob Martin (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and

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

7. RESOLUTION 6 – ISSUE OF RELATED PARTY OPTIONS TO MR BRIAN THOMAS

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

“That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 4,000,000 Related Party Options to Mr Brian Thomas (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Brian Thomas (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
- (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

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

8. RESOLUTION 7 – ISSUE OF RELATED PARTY OPTIONS TO MR CRAIG HALL

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

“That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 4,000,000 Related Party Options to Mr Craig Hall (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Craig Hall (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
- (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

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

9. RESOLUTION 8 – ISSUE OF OPTIONS TO UNDERWRITER

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 5,000,000 Options to Pinnacle Corporate Finance Pty Ltd (or its nominee/s) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue, except a benefit solely by reason of being a holder of ordinary securities in the Company, or an associate of that person (or 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.

10. RESOLUTION 9 – APPROVAL OF 10% PLACEMENT CAPACITY

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

“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue, except a benefit solely by reason of being a holder of ordinary securities in the Company, or an associate of that person (or 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.

11. RESOLUTION 10 – ADOPTION OF AURIS EMPLOYEE INCENTIVE PLAN

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

“That, for the purpose of ASX Listing Rule 7.2 (Exception 9(b)) and for all other purposes, approval is given for the Company to adopt the Auris Employee Incentive Plan on the terms and conditions summarised in the accompanying Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of any Director, except one who is ineligible to participate in any employee incentive scheme in relation to the Company, and any associates of those

Directors. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

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

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) 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 this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Dated: 24 October 2018

By order of the Board

Mark Clements
Company Secretary

Voting in person

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

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6109 4333.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. 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.aurisminerals.com.au.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

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 of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

3. RESOLUTION 2 – ELECTION OF DIRECTOR – MR CRAIG HALL

3.1 General

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.

Pursuant to the Constitution and ASX Listing Rule 14.4, any Director so appointed holds office only until the next following annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Hall, having been appointed by other Directors on 1 August 2018 in accordance with the Constitution, will retire in accordance with the Constitution and ASX Listing Rule 14.4 and being eligible, seeks election from Shareholders.

3.2 Qualifications and other material directorships

Mr Hall is an experienced geologist with over 30 years of minerals industry experience in exploration, development and production roles in a range of commodities, principally precious and base metals. He has held a variety of senior positions with mid-tier and junior sector resource companies within Australia and overseas.

He has previously consulted to the minerals industry providing high quality exploration outcomes, on-site mining support, expert reporting, project valuations and strategic advice to companies through an association with a well respected Western Australian resource consultancy.

Mr Hall served as a Non-executive Director of Eclipse Metals Ltd (ASX: EPM) an Australian exploration company focused on exploring the Northern Territory and Queensland for uranium and manganese mineralisation.

3.3 Independence

If elected the Board does not consider Mr Hall will be an independent director as Mr Hall is a nominee for Investmet Limited, a substantial shareholder of the Company.

3.4 Board recommendation

The Board (other than Mr Hall) supports the re-election of Mr Hall and recommends that Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR ROB MARTIN

4.1 General

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Mr Martin, who was appointed as a Director on 2 November 2016, will retire in accordance with the Constitution and being eligible, seeks election from Shareholders.

4.2 Qualifications and other material directorships

Mr Rob Martin has over 40 years business experience in Western Australia in the management and operations of airline, mining and other commercial undertakings. He has extensive knowledge of the West Australian investment community.

Mr Martin is a non-executive Director of Bulletin Resources Limited (ASX:BNR).

4.3 Independence

If elected the board does not consider Mr Martin will be an independent director as Mr Martin does not meet the criteria for an independent director as a substantial shareholder of the Company.

4.4 Board recommendation

The Board (other than Mr Martin) supports the re-election of Mr Martin and recommends that Shareholders vote in favour of Resolution 3.

5. RESOLUTIONS 4 TO 7 – ISSUE OF RELATED PARTY OPTIONS TO DIRECTORS

5.1 General

In order to appropriately incentivise the continued performance of the Company's key management and Board, the Company proposes, to issue a total of:

- (a) 4,000,000 Related Party Options to Mr Neville Bassett (or his nominee) (approval for which is being sought under Resolution 4);
- (b) 4,000,000 Related Party Options to Mr Rob Martin (or his nominee) (approval for which is being sought under Resolution 5);
- (c) 4,000,000 Related Party Options to Mr Brian Thomas (or his nominee) (approval for which is being sought under Resolution 6); and
- (d) 4,000,000 Related Party Options to Mr Craig Hall (or his nominee) (approval for which is being sought under Resolution 7),

(together, the **Related Party Issue**).

The issue of the Related Party Options have been proposed in order to appropriately incentivise the continued performance of the relevant Directors and to assist the Company in retaining their services and expertise in a manner which does not unduly impact on the cash reserves of the Company.

The Company is seeking Shareholder approval for the Related Party Issue in the issue of Related Party Options.

5.2 Key terms and conditions of Related Party Options

The Related Party Options will remain unvested subject to the satisfaction of the vesting condition which is set out in Schedule 1.

Subject to the terms, in the event that the applicable vesting conditions are not met, the Related Party Options will lapse. As a result, the Related Party Options will not be able to be converted into new Shares.

The vesting conditions have been agreed in order to incentivise and retain the relevant Directors and further align their interests with those of Shareholders.

The Company considers that the grant of the Related Party Options is a reasonable and appropriate method to provide cost effective remuneration to the relevant Directors.

A summary of the terms of the Related Party Options are set out in Schedule 1.

5.3 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Related Party Issue will result in the issue of Related Party Options which constitutes giving a financial benefit.

Messrs Bassett, Martin, Thomas and Hall are related parties of the Company by virtue of being Directors.

The Directors (other than Mr Neville Bassett who has a material personal interest in Resolution 4) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 4 because the agreement to issue the Related Party Options, reached as part of the remuneration package for Mr Neville Bassett, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

The Directors (other than Mr Rob Martin who has a material personal interest in Resolution 5) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 5 because the agreement to issue the Related Party Options, reached as part of the remuneration package for Mr Rob Martin, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

The Directors (other than Mr Brian Thomas who has a material personal interest in Resolution 6) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 6 because the agreement to issue the Related Party Options, reached as part of the remuneration package for Mr Brian Thomas, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

The Directors (other than Mr Craig Hall who has a material personal interest in Resolution 7) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 7 because the agreement to issue the Related Party Options, reached as part of the remuneration package for Mr Craig Hall, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

5.4 Section 195(4) of the Corporations Act

Section 195 of the Corporations Act provides that a Director of a public company may not vote or be present during meetings of Directors when matters in which that Director holds a "material personal interest" are being considered, except in certain limited circumstances. Section 195(4) relevantly provides that if there are not enough Directors to form a quorum for a Directors meeting because of this restriction, one or more of the Directors may call a general meeting and the general meeting may pass a resolution to deal with the matter.

It might be argued (but it is neither conceded nor, indeed, is it thought by the Board to be the case) that the four Directors comprising the Board have a material personal interest in the outcome of Resolutions 4 to 7. If each does have such an interest, then a quorum could not be formed to consider the matters contemplated by Resolutions 4 to 7 at Board level.

Accordingly, for the avoidance of any doubt, and for the purpose of transparency and best practice corporate governance, the Company also seeks Shareholder approval for Resolutions 4 to 7 for the purposes of section 195(4) of the Corporations Act in respect of the reliance on the reasonable remuneration exception and the decision not to seek Shareholder approval under Chapter 2E of the Corporations Act.

5.5 ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

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

5.6 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the Related Party Issue:

- (a) the Related Party Options will be granted to Mr Neville Bassett, Mr Rob Martin, Mr Brian Thomas and Mr Craig Hall (or their nominees), who are related parties of the Company by virtue of being Directors;
- (b) a total of 16,000,000 Related Party Options will be issued as follows:
 - (i) Mr Neville Bassett 4,000,000 Related Party Options;
 - (ii) Mr Rob Martin, 4,000,000 Related Party Options;
 - (iii) Mr Brian Thomas 4,000,000 Related Party Options; and
 - (iv) Mr Craig Hall 4,000,000 Related Party Options.
- (c) the Related Party Options will be exercisable at \$0.08 on or before 30 November 2020;
- (d) the Related Party Options will be granted no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Related Party Options will occur on the same date;
- (e) the Related Party Options will be issued for nil cash consideration, accordingly no funds will be raised; and
- (f) the terms and conditions of the Related Party Options are set out in Schedule 1.

Approval pursuant to ASX Listing Rule 7.1 is not required for the grant of the Related Party Options as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the grant of the Related Party Options to Mr Neville Bassett, Mr Rob Martin, Mr Brian Thomas and Mr Craig Hall (or their nominees) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

6. RESOLUTION 8 – APPROVAL TO ISSUE OPTIONS TO UNDERWRITER

6.1 General

On 17 October 2018, the Company and Pinnacle Corporate Finance Pty Ltd (ACN 149 263 543) (**Pinnacle**) entered into an underwriting agreement pursuant to which Pinnacle agreed to fully underwrite the Company's non-renounceable option entitlement issue (**Entitlement Issue**) made pursuant to the prospectus dated 17 October 2018 (**Underwriting Agreement**).

In accordance with the Underwriting Agreement, the Company agreed to issue 5,000,000 Options (**Underwriter Options**) to Pinnacle (or its nominee/s) as part consideration for acting as underwriter and lead manager to the Entitlement Issue.

This Resolution seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of the Underwriter Options.

6.2 ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month

period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

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

6.3 Technical information required by ASX Listing Rule 7.1

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

- (a) the maximum number of Underwriter Options to be issued is 5,000,000;
- (b) the Underwriter Options will be exercisable at \$0.08 on or before 30 November 2020;
- (c) the Underwriter Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that the issue of the Underwriter Options will occur on the same date;
- (d) the Underwriter Options will be issued for nil cash consideration as part consideration for acting as underwriter and lead manager to the Entitlement Issue;
- (e) the Underwriter Options will be issued to Pinnacle (or its nominee/s), who is not a related party of the Company;
- (f) the Underwriter Options will be issued on the terms and conditions set out in Schedule 1; and
- (g) no funds will be raised from the issue as the Underwriter Options are being issued in consideration for Pinnacle acting as underwriter and lead manager to the Entitlement Issue.

7. RESOLUTION 9 - APPROVAL OF 10% PLACEMENT CAPACITY

7.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity (as defined below) may seek shareholder approval by special resolution passed at an annual general meeting to have the capacity to issue up to that number of Equity Securities (as defined below) equal to 10% of its issued capital (**10% Placement Capacity**) without using that company's existing 15% annual placement capacity granted under ASX Listing Rule 7.1.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

As at the date of this Notice, the Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of

\$17,982,000 (based on the number of Shares on issue and the closing price of Shares on the ASX on 18 October 2018).

An Equity Security is a share, a unit in a trust, a right to a share or unit in a trust or option, an option over an issued or unissued security, a convertible security, or, any security that ASX decides to classify as an equity security.

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

As at the date of this Notice, the Company currently has one class of quoted Equity Securities on issue, being the Shares (ASX Code: AUR).

If Shareholders approve Resolution 9, the number of Equity Securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

Resolution 9 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 9 for it to be passed.

7.2 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 9:

(a) Minimum Price

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX 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 ASX trading days of the date in section 7.2(a)(i), the date on which the Equity Securities are issued.

(b) Date of Issue

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid),

(10% Placement Capacity Period).

(c) Risk of voting dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 9 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the market price of Shares and the number of Equity Securities on issue as at 18 October 2018.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	\$0.0220 50% decrease in Issue Price	\$0.0440 Issue Price	\$0.0660 50% increase in Issue Price
408,681,340 (Current Variable A)	Shares issued - 10% voting dilution	40,868,134 Shares	40,868,134 Shares	40,868,134 Shares
	Funds raised	\$899,098.95	\$1,798,197.90	\$2,697,296.84
613,022,010 (50% increase in Variable A)	Shares issued - 10% voting dilution	61,302,201 Shares	61,302,201 Shares	61,302,201 Shares
	Funds raised	\$1,348,648.42	\$2,697,296.84	\$4,045,945.27
817,362,680 (100% increase in Variable A)	Shares issued - 10% voting dilution	81,736,268 Shares	81,736,268 Shares	81,736,268 Shares
	Funds raised	\$1,798,197.90	\$3,596,395.79	\$5,394,593.69

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. There are currently 408,681,340 Shares on issue as at the date of this Notice of Meeting.
2. The issue price set out above is the closing price of the Shares on the ASX on 18 October 2018.

3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
8. 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%.
9. 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 Capacity, based on that Shareholder's holding at the date of the Meeting.

(d) **Shareholders should note that there is a risk that**

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(e) **Purpose of Issue under 10% Placement Capacity**

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration in which case the Company intends to use funds raised for the acquisition of new resources, assets and investments (including expenses associated with such an acquisition), continued exploration expenditure on the Company's current assets, feasibility studies and ongoing project administration and general working capital; or
- (ii) as non-cash consideration for the acquisition of new resources assets and investments including previously announced acquisitions, in such circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3.

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) **Allocation policy under the 10% Placement Capacity**

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or

new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).
- (vii) Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

(g) **Previous approval under ASX Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 22 November 2017 (**Previous Approval**).

The Company has not issued any Equity Securities pursuant to the Previous Approval.

During the 12 month period preceding the date of the Meeting, being on and from 22 November 2017, the Company otherwise issued a total of 969,727 Shares and 16,000,000 Performance Rights which represents approximately 3.5% of the total diluted number of Equity Securities on issue in the Company on 22 November 2017, which was 484,068,073.

Further details of the issues of Equity Securities by the Company during the 12 month period preceding the date of the Meeting are set out in Schedule 2.

(h) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it must give to ASX:

- (i) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 3.10.5A for release to the market.

7.3 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 9.

8. RESOLUTION 10 – ADOPTION OF AURIS EMPLOYEE INCENTIVE PLAN

8.1 Introduction

The Company has introduced a new employee incentive scheme which is presented to Shareholders for approval at this General Meeting.

Resolution 10 relates to the Auris Employee Incentive Plan (**EIP**), described in more detail below.

The EIP incorporates both broad based equity participation for eligible employees as well as key executive incentive schemes.

8.2 Background

A summary of the key terms of the EIP is set out in Schedule 3, and a copy of the rules of the EIP is available upon request from the Company.

The purpose of the EIP is to:

- (a) reward employees and consultants of the Company;
- (b) assist in the retention and motivation of employees and consultants of the Company; and
- (c) provide an incentive to employees and consultants of the Company to grow shareholder value by providing them with an opportunity to receive an ownership interest in the Company.

Shareholder approval of the EIP is being sought for all purposes under the Corporations Act and the ASX Listing Rules, including ASX Listing Rule 7.2 (exception 9), so that securities issued in accordance with the EIP will be excluded from the calculation of the maximum number of new securities that can be issued by the Company in any 12 month period (currently 15% of shares previously on issue) for a period of three years from the date of approval.

If this Resolution 10 is approved by Shareholders, it will have the effect of enabling the securities issued by the Company under the EIP to be automatically excluded from the formula to calculate the number of securities which the Company may issue within the 15% in 12 months limit under Listing Rule 7.1 during the next three year period.

This is the first approval sought under Listing Rule 7.2 (exception 9) with respect to the EIP. Accordingly, no securities have previously been issued under the EIP. Under Resolutions 4 to 7, the Company is seeking Shareholder approval to issue Related Party Options to related parties of the Company, however these issues are not being made under the proposed EIP.

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

8.3 EIP terms generally

The EIP is a new employee equity plan developed to meet contemporary equity design standards and to provide the greatest possible flexibility in the design and offer choices available in the various new equity schemes.

The EIP enables the Company to offer employees a range of different employee share scheme ("ESS") interests. These ESS interests or awards include options, performance rights, service rights, deferred shares, exempt shares, cash rights and stock appreciation rights.

The type of ESS interest that may be offered to employees will be determined by a number of factors, including:

- (a) the remuneration or incentive purpose;
- (b) the tax jurisdiction that the employee lives and/or works in;
- (c) the laws governing equity incentives where the employee lives and/or works; and
- (d) the logistics and compliance costs associated with offering equity incentives where the employee lives and/or works.

Whenever Shares are acquired under the EIP, they may be acquired and held by an Employee Share Trust ("EST"). The EST will be governed by a trust deed ("EST Trust Deed") outlining the rules of the EST and the responsibilities of the Trustee, the Company and participants and a copy of any EST Trust Deed will be available upon request from the Company. It is not the intention of the company to establish an EST.

8.4 Directors' Recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 10. As stated in the Notice, any vote cast in respect of this resolution by a Director and their respective associates will be disregarded, except as stated in the Notice.

GLOSSARY

10% Placement Capacity has the meaning given in Section 7.1.

\$ means Australian dollars.

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

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Change of Control means:

- (a) a bona fide Takeover Bid is declared unconditional and the bidder has acquired a Relevant Interest in at least 50.1% of the Company's issued Shares;
- (b) a court approves, under Section 411(4)(b) of the Corporations Act, a proposed compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
- (c) in any other case, a person obtains Voting Power in the Company that the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board.

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

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Auris Minerals Limited (ACN 085 806 284).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

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 Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share, including where the context requires, Related Party Option and Underwriter Option.

Optionholder means a holder of an Option.

Ordinary Securities has the meaning set out in the ASX Listing Rules.

Proxy Form means the proxy form accompanying the Notice.

Related Party Option means an Option issued pursuant to Resolutions 4 to 7 on the terms and conditions set out in Schedule 1.

Relevant Interest has the meaning given in the Corporations Act.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2018.

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

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

Takeover Bid means a takeover bid (as defined in the Corporations Act) to acquire Shares.

Variable A means "A" as set out in the formula in ASX Listing Rule 7.1A(2).

Voting Power has the meaning given to that term in Section 9 of the Corporations Act.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS OF UNDERWRITER AND RELATED PARTY OPTIONS

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i) the amount payable upon exercise of each Option will be \$0.08 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 30 November 2020 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

(i) **Underwriter Options:** The Underwriter Options are exercisable at any time on or prior to the Expiry Date;

(ii) **Related Party Options:** The Related Party Options are exercisable at any time on and from the Optionholder remaining in the employment of the Company on that date which is six months from the issue date of the Related Party Options until the Expiry Date,

(each, an **Exercise Period**).

(e) **Notice of Exercise**

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

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

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

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

(i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

(ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (f)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

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

(k) **Change in exercise price**

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

(l) **Transferability**

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

SCHEDULE 2 – ISSUES OF EQUITY SECURITIES SINCE 22 NOVEMBER 2017

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
Issue – 22 November 2017 Appendix 3B- 23 November 2018	16,000,000	Performance Rights	Participation in the Company's Performance Rights Plan.	Nil	Nil, Performance Rights issued pursuant to the Company's Performance Rights Plan which vest and become exercisable in two equal tranches, expiring 20 November 2020; (a) Tranche 1: vest upon AUR achieving a market capitalisation of \$48 million for a period of 30 consecutive days; and (b) Tranche 2: vest upon AUR achieving a market capitalisation of \$64 million for a period of 30 consecutive days. Current value ⁴ = \$158,200
Issue – 7 June 2018 Appendix 3B – 8 June 2018	11,445	Shares ²	Optionholders - Shares issued upon exercise of Listed Option AUROB	0.12 (no discount)	Amount raised = \$1,373.40 Amount spent = \$1,373.40 Use of funds: Proceeds of the entitlement issue will be put towards the Company's exploration activities and will be focussed on priority targets within the Company's highly prospective Bryah Basin. Amount remaining = \$Nil Proposed use of remaining funds N/A
Issue – 21 June 2018 Appendix 3B – 22 June 2018	62,282	Shares ²	Optionholders - Shares issued upon exercise of Listed Option AUROB	0.12 (no discount)	Amount raised = \$7,473.84 Amount spent = \$7,473.84 Use of funds: Proceeds of the entitlement issue will be put towards the Company's exploration activities and will be focussed on priority targets within the Company's highly prospective Bryah Basin. Amount remaining = \$Nil Proposed use of remaining funds N/A
Issue – 2 July 2018 Appendix 3B – 3 July 2018	896,000	Shares ²	Convertible noteholders – Shares issued upon conversion of convertible notes (including interest accrued)	0.05 (26.5% discount)	Amount raised = \$44,800 Amount spent = \$44,800 Use of funds: Company's exploration activities focused on priority targets within the Company's highly prospective Bryah Basin and administration expenses Amount remaining = Nil

Notes:

- Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
- Fully paid ordinary shares in the capital of the Company, ASX Code: AUR (terms are set out in the Constitution).
- This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.
- The Performance Rights were valued using the Black & Scholes valuation model.

SCHEDULE 3 – SUMMARY OF EIP KEY TERMS AND KEY POLICY SETTINGS

Eligibility

The Board has the discretion to determine which employees are eligible to participate in the EIP. The definition of employee under the rules of the EIP includes any full time or permanent part time employee or officer or director of the Company or consultant of the Company or any related body corporate of the Company.

Vesting conditions

The vesting of any securities issued under the EIP, excluding Exempt Shares and Stock Appreciation Rights, may be conditional on the satisfaction of performance and/or service conditions as determined by the Board and advised to the employee in the individual's offer documents.

Exercise of securities

Vested securities issued under the EIP will not automatically trigger the exercise of the securities, but a participant will be entitled to exercise in accordance with the terms contained in the invitation to the individual.

Price

Securities issued under the EIP may be issued at no cost to the participants. Options may be subject to payment of an exercise price by the participant which is determined by the Board and advised to the participant in the individual's offer documents.

Lapse/forfeiture

Securities issued under the EIP will lapse or be forfeited on the earliest of:

- any expiry date applicable to the securities;
- any date which the Board determines that vesting conditions applicable to the securities are not met or cannot be met;
- the participant dealing in respect of the securities in contravention of the EIP; and
- the Board determining that a participant has committed an act of fraud, is ineligible to hold the office for the purposes of Part 2D.6 of the Corporations Act, or is found to have acted in a manner that the Board considers to constitute gross misconduct.

Board may elect to settle in cash

If the Board determines that it is not appropriate for tax, legal, regulatory or compliance reason to issue or transfer Shares upon satisfaction of its obligations under the plan, the Company may make a cash payment to the participant in accordance with the terms of the plan.

Waiving the restricted period

The Board may waive or shorten the restriction period applicable to securities issued under the EIP, as contained in the offer to the participant.

Change of Control

On the occurrence of a Change of Control (as defined in the rules of the EIP), the Board will determine, in its sole and absolute discretion, the manner in which vested and unvested securities issued under the EIP shall be dealt with.

Cessation of employment

All unvested securities issued under the EIP lapse immediately on termination of employment unless any Leaver's Policy applies or the Board determines otherwise depending on the circumstances.

No dealing or hedging

Dealing restrictions apply to securities issued under the EIP in accordance with the rules of the EIP and the Company's share trading policy. Participants are prohibited from hedging or otherwise protecting the value of unvested securities issued under the EIP.

Rights attaching to Shares

Shares issued under the plan will rank equally for dividends and other entitlements, be subject to any restrictions imposed under these rules and otherwise rank equally with the existing Shares on issue at the time of allotment.

Company may issue or acquire shares

Company may, in its discretion, either issue new shares or acquire shares already on issue, or a combination of both, to satisfy the Company's obligations under the EIP.

Adjustments

Prior to the allocation of shares to a participant upon vesting or exercise of securities issued under the EIP, the Board may make any adjustment it considers appropriate to the terms of securities in order to minimise or eliminate any material advantage or disadvantage to a participant resulting from a corporate action such as a capital raising or capital reconstruction.

Limits on securities issued

The number of shares that may be issued under the EIP is set with regard to the limits prescribed under ASIC Class Order 14/1000 with respect to employee share scheme offers made without a prospectus and made in accordance with a Notice of Reliance (CF 08). These limits provide that the number of shares that may be issued, when aggregated with a number of shares issued during the previous three years from share issues under all employee share schemes established by the Company (including as a result of exercise of options to acquire shares granted to the previous three years under any such employee share scheme), must not exceed 5% of the total number of shares on issue. Certain unregulated offers, including offers to senior managers and overseas residents are excluded.

An overall limit of 15% for employee share scheme (ESS) offers is imposed.

Continued operation of the plan

The plan may be suspended, terminated or amended at any time by the Board, subject to any resolution of the Company required by the listing rules.

AURIS MINERALS LIMITED

ACN: 085 806 284

REGISTERED OFFICE:
LEVEL 3 18 RICHARDSON STREET
WEST PERTH WA 6005

SHARE REGISTRY:
Security Transfer Australia Pty Ltd
All Correspondence to:
PO BOX 52
Collins Street West VIC 8007
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530 Little Collins Street
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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: **AUR**

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 2:00pm WST on Tuesday 27 November 2018 at Ground Floor, 216 St Georges Terrace, Perth, Western Australia and at any adjournment of that meeting.

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1, 4-7 and 10 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 4-7 and 10 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

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*	For	Against	Abstain*	
1. Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7. Issue of Related Party Options to Mr Craig Hall	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Election of Director - Mr Craig Hall	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8. Issue of Options to Underwriter	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Re-election of Director - Mr Rob Martin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9. Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Issue of Related Party Options to Mr Neville Bassett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10. Adoption of Auris Employee Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Issue of Related Party Options to Mr Rob Martin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
6. Issue of Related Party Options to Mr Brian Thomas	<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 2:00pm WST on Sunday 25 November 2018.

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AUR

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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

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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.

