

ARROW MINERALS LTD

ACN 112 609 846

NOTICE OF ANNUAL GENERAL MEETING

TIME: 11:00am (WST)

DATE: 22 November 2018

PLACE: Minerva Corporate
Level 8, 99 St Georges Tce
Perth WA 6000

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9383 3330

CONTENTS PAGE

Business of the Meeting (setting out the proposed resolutions)	3
Explanatory Statement (explaining the proposed resolutions)	7
Schedule 1 – Nomination of Auditor Letter	22
Schedule 2 – Summary of Employee Share Plan	23
Glossary	26
Proxy Form	Enclosed

IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 11:00am (WST) on 22 November 2018 at:

Minerva Corporate
Level 8, 99 St Georges Tce
Perth WA 6005

YOUR VOTE IS IMPORTANT

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

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 4:00pm (WST) on 20 November 2018.

VOTING IN PERSON

To vote in person, attend the Annual General 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.

Members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and
- a member 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.

New sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be

aware of these changes to the Corporations Act, as they will apply to this Annual General 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 Chair, who must vote the proxies as directed.

Further details on these changes is set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does**:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

BUSINESS OF THE MEETING

AGENDA

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 directors' report, the remuneration report and the auditor's report.

1. 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 purpose 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 any 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:

- (c) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (d) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on 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.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – DR FRAZER TABEART

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

3. RESOLUTION 3 – APPOINTMENT OF AUDITOR

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

"That, for the purposes of section 327B(1) of the Corporations Act 2001 (Cth) and for all other purposes, Pitcher Partners BA&A Pty Ltd, having consented in writing to act in the capacity of auditor, subject to ASIC consent to the resignation of Pitcher Partners Corporate & Audit (WA) Pty Ltd, be appointed as auditor of the Company, effective from the date of the Meeting."

4. RESOLUTION 4 – APPROVAL OF 10% PLACEMENT CAPACITY - SHARES

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

"That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any 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, if the Resolution is passed and any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the 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.

5. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE –SHARES

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 592,768 Shares on the terms and conditions set out in the Explanatory Statement."

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

6. RESOLUTION 6 – ISSUE OF DIRECTOR INCENTIVE SHARES AND APPROVAL OF LOAN TO MR STEVEN MICHAEL

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

"That, subject to the passing of Resolution 7, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to 4,000,000 Restricted Shares as Director incentive remuneration and grant a loan of \$68,000 to acquire those Shares to Mr Steven Michael (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour this Resolution by or on behalf of any Director or nominee, other than any Directors who are ineligible to participate in any employee incentive scheme in relation to the Company, and any associates of those Directors. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

In accordance with section 250BB of the Corporations Act, 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.

Further, a Restricted Voter who is appointed as a proxy will not vote on this Resolution unless:

- (a) The appointment specifies the way the proxy is to vote on this Resolution; or
- (b) The proxy is the Chair of the meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of this Resolution.

Please Note: if the Chair is a person referred to in section 224 of the Corporations Act in the voting exclusion statement above, the Chair will only be able to cast a vote as proxy for a person who is entitled to vote if the Chair is appointed in writing and the Proxy Form specifies how the proxy is to vote on this Resolution. If you are a Restricted Voter and purport to cast a vote other than as permitted above, that vote will be disregarded by the Company and may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

7. RESOLUTION 7 – ISSUE OF DIRECTOR INCENTIVE SHARES AND APPROVAL OF LOAN TO DR FRAZER TABEART

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

"That, subject to the passing of Resolution 7, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to 400,000 Restricted Shares as Director incentive remuneration and grant a loan of \$6,800 to acquire those Shares to Dr Frazer Tabeart (or his nominee) 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 any Director or nominee, other than any Directors who are ineligible to participate in any employee incentive scheme in relation to the Company, and any associates of those Directors. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

In accordance with section 250BB of the Corporations Act, 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.

Further, a Restricted Voter who is appointed as a proxy will not vote on this Resolution unless:

- (a) The appointment specifies the way the proxy is to vote on this Resolution; or

- (b) The proxy is the Chair of the meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of this Resolution.

Please Note: if the Chair is a person referred to in section 224 of the Corporations Act in the voting exclusion statement above, the Chair will only be able to cast a vote as proxy for a person who is entitled to vote if the Chair is appointed in writing and the Proxy Form specifies how the proxy is to vote on this Resolution. If you are a Restricted Voter and purport to cast a vote other than as permitted above, that will vote will be disregarded by the Company and may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

8. RESOLUTION 8 – ISSUE OF DIRECTOR INCENTIVE SHARES AND APPROVAL OF LOAN TO MR NICHOLAS CHEN CHIK ONG

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

“That, subject to the passing of Resolution 7, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to 400,000 Restricted Shares as Director incentive remuneration and grant a loan of \$6,800 to acquire those Shares to Mr Nicholas Chen Chik Ong (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour this Resolution by or on behalf of any Director or nominee, other than any Directors who are ineligible to participate in any employee incentive scheme in relation to the Company, and any associates of those Directors. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

In accordance with section 250BB of the Corporations Act, 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.

Further, a Restricted Voter who is appointed as a proxy will not vote on this Resolution unless:

- (a) The appointment specifies the way the proxy is to vote on this Resolution; or
- (b) The proxy is the Chair of the meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of this Resolution.

Please Note: if the Chair is a person referred to in section 224 of the Corporations Act in the voting exclusion statement above, the Chair will only be able to cast a vote as proxy for a person who is entitled to vote if the Chair is appointed in writing and the Proxy Form specifies how the proxy is to vote on this Resolution. If you are a Restricted Voter and purport to cast a vote other than as permitted above, that will vote will be disregarded by the Company and may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

DATED: 22 OCTOBER 2018
BY ORDER OF THE BOARD
MR MATTHEW FOY
COMPANY SECRETARY

EXPLANATORY STATEMENT

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

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2018 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.arrowminerals.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

Under changes to the Corporations Act which came into effect on 1 July 2011, 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 previous 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.

2.4 Proxy Restrictions

Shareholders appointing a proxy for this Resolution should note the following:

If you appoint a member of the Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member as your proxy

You must direct your proxy how to vote on this Resolution. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

If you appoint the Chair as your proxy (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member).

You **do not** need to direct your proxy how to vote on this Resolution. However, if you do not direct the Chair how to vote, ***you must mark the acknowledgement on the Proxy Form to expressly authorise the Chair to exercise his/her discretion in exercising your proxy even though this Resolution is connected directly or indirectly with the remuneration of Key Management Personnel.***

If you appoint any other person as your proxy

You **do not** need to direct your proxy how to vote on this Resolution, and you **do not** need to mark any further acknowledgement on the Proxy Form.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – DR FRAZER TABEART

ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third AGM following the director's appointment or 3 years, whichever is the longer.

Clause 13.2 of the Constitution provides that:

- (a) at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded upwards in case of doubt), shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election;
- (b) The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots;
- (c) A Director who retires by rotation under clause 13.2 of the Constitution is eligible for re-election; and
- (d) In determining the number of Directors to retire, no account is to be taken of:

- (i) a Director who only holds office until the next annual general meeting pursuant to clause 13.4 of the Constitution; and/ or
- (ii) a Managing Director,

each of whom are exempt from retirement by rotation. However, if more than one Managing Director has been appointed by the Directors, only one of them (nominated by the Directors) is entitled to be excluded from any determination of the number of Directors to retire and/or retirement by rotation.

The Company has three Directors. Accordingly, one Director must retire.

Dr Frazer Tabeart, the Director longest in office since his last election, retires by rotation and seeks re-election.

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 2.

The Directors (other than Dr Tabeart) recommend Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 – APPOINTMENT OF AUDITOR

4.1 General

In June this year the Company's auditors, Pitcher Partners Corporate & Audit (WA) Pty Ltd resigned as the Company's auditor pursuant to section 329(5) of the Corporations Act following an internal restructure of Pitcher Partners' group.

Section 327C(1) of the Corporations Act provides that if:

- (a) a vacancy occurs in the office of auditor of a public company; and
- (b) the vacancy is not caused by the removal of an auditor from office; and
- (c) there is no surviving or continuing auditor of the company,

the directors of the company must, within 1 month after the vacancy occurs, appoint an auditor to fill the vacancy unless the company at a general meeting has appointed an auditor to fill the vacancy.

Section 327C(2) of the Corporations Act further provides that any such auditor appointed to fill the vacancy holds office until the company's next annual general meeting. This is consistent with section 327B(1) of the Corporations Act, which provides that a public company must appoint an auditor of the company at its first annual general meeting and thereafter at each subsequent annual general meeting where an auditor is appointed by the company to fill any vacancy in the office of auditor.

Pursuant to section 327C(1) of the Corporations Act, the directors of the Company appointed the Pitcher Partners BA & A Pty Ltd, to fill the vacancy in the office of auditor.

The Company has received:

- (a) nomination under section 328B of the Corporations Act from a shareholder for the Company to appoint Pitcher Partners BA & A Pty Ltd as the Company's auditor, a copy of which is annexed as Schedule 1 to this Explanatory Statement; and

- (b) a consent to act as auditor of the Company under section 328A of the Corporations Act, duly executed by Pitcher Partners BA & A Pty Ltd and Mr Paul Mulligan, a registered company auditor.

The Company, pursuant to this Resolution 3, requests shareholder approval pursuant to section 327B(1) of the Corporations Act 2001 (Cth) to appoint B Pitcher Partners BA & A Pty Ltd as the Company's auditor.

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 3.

The Directors recommend Shareholders vote in favour of Resolution 3.

5. RESOLUTION 4 - APPROVAL OF 10% PLACEMENT CAPACITY– SHARES

5.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 4, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in Section 5.2 below).

The effect of Resolution 4 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 4 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 4 for it to be passed.

5.2 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

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.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation (undiluted) of approximately \$11 million.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has one class of quoted Equity Securities on issue, being the Shares (ASX Code: AMD).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

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

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
- (i) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
 - (ii) plus the number of partly paid shares that became fully paid in the previous 12 months;
 - (iii) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval; and
 - (iv) less the number of Shares cancelled in the previous 12 months.
- D** is 10%.
- E** is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

5.3 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 4:

(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 (i) above, 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 cease 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 4 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 current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

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	Dilution			
	Issue Price (per Share)	\$0.010 50% decrease in Issue Price	\$0.020 Current Issue Price	\$0.030 50% increase in Issue Price
306,976,322 (Current)	10% voting dilution	30,697,632 Shares	30,697,632 Shares	30,697,632 Shares
	Funds raised	\$306,976	\$613,953	\$920,929
460,464,483 (50% increase)	10% voting dilution	46,046,448 Shares	46,046,448 Shares	46,046,448 Shares
	Funds raised	\$460,464	\$920,929	\$1,381,393
613,952,644 (100% increase)	10% voting dilution	61,395,264 Shares	61,395,264 Shares	61,395,264 Shares
	Funds raised	\$613,953	\$1,227,905	\$1,841,858

*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. The current shares on issue are the Shares on issue as at 13 September 2018.
2. The issue price set out above is the closing price of the Shares on the ASX on 13 September 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.

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.

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.

(d) **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 towards the ongoing costs associated with exploration of its existing projects; or
- (ii) as non-cash consideration for services rendered by non-related third parties to the Company, where it is considered appropriate by the board to do so. 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.

(e) **Allocation under the 10% Placement Capacity**

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s).

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).

(f) **Previous Approval under ASX Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its 2017 Annual General Meeting. The Company issued 18,085,861, Equity Securities pursuant to that Listing Rule 7.1A approval.

During the 12-month period preceding 22 November 2018, being the date of the Meeting, the Company otherwise issued a total of 132,804,850 Shares which represent 75.78% of the total number of Equity Securities on issue at 22 November 2017.

Information relating to issues of Equity Securities by the Company in the 12 months prior to 22 November 2018 is as follows:

Date of Appendix 3B	Number of Equity Securities	Class of Equity Securities and summary of terms	Names of recipients or basis on which recipients determined	Issue price of Equity Securities and discount to Market Price on the trading day prior to the issue	If issued for cash – the total consideration, what it was spent on and the intended use of any remaining funds
1 December 2017	2,750,000	Ordinary Shares	Employee Share Plan Shares	Issue price: 4.9¢ per share. 1% Discount to market price.	Employee Share Plan Shares. Current Value: Not applicable; shares subject to performance milestones
1 December 2017	2,850,000	Ordinary Shares	Employee Share Plan Shares	Issue price: 4.9¢ per share. 1% Discount to market price.	Employee Share Plan Shares. Current Value: Not applicable; shares subject to performance milestones
12 February 2018	44,549,653	Ordinary Shares	Placement to Professional and Sophisticated Investors	Issue Price: 2.9¢. Discount to Market: 6.4%	\$1,291,939 raised. 100% of funds used to accelerate exploration at the Strickland Gold Project and Malinda Lithium Projects.
22 March 2018	592,768	Ordinary Shares	Land Access Agreement	Issue Price: N/A. Discount to market: N/A	Non-cash consideration to the value of \$20,000. Current Value: \$11,855.
16 April 2018	46,829,670	Ordinary Shares	Placement to Professional and Sophisticated Investors	Issue Price: 2.9¢. Discount to Market: 6.4%	\$1,614,816 raised. Funds to be used to accelerate exploration at the Strickland Gold Project and working capital. No funds yet utilised.
16 April 2018	34,482,759	Ordinary Shares	Placement to Independence Group NL	Issue Price: 2.9¢. Discount to Market: 6.4%	\$1,000,000. Funds to be used to accelerate exploration at the Strickland Gold Project and working capital No funds yet utilised.
16 April 2018	77,724,146	Options exercisable at 10¢ expiring 31/12/2019	Attaching options to placement shares	Free attaching options	N/A; free attaching options issued to subscribers of April Placement.
27 April 2018	750,000	Ordinary Shares	Employee Share Plan Shares	Issue price: 3.0¢ per share. Discount to market price: Nil.	Employee Share Plan Shares. Current Value: Not applicable; shares subject to performance milestones.

(g) **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 will give 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.

5.4 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 4.

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 4.

The Directors recommend Shareholders vote in favour of Resolution 4.

6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE –SHARES

6.1 General

On 22 March 2018 the Company advised it had issued 592,768 shares in part satisfaction of a land access agreement the Company had executed. The Company issued the Shares without prior Shareholder approval pursuant to both its 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the 592,768 Shares that were issued on 22 March 2018.

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

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

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

6.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 5:

- (a) 592,768 shares were issued;
- (b) The issue price per share was nil as the shares were issued in part satisfaction of a land access agreement the Company entered into, accordingly no funds were raised from the issue of shares;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (d) the Shares were issued to Mugarinya Community Association Inc who is not a related party to the Company.

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 5.

The Directors recommend Shareholders vote in favour of Resolution 5.

7. RESOLUTIONS 6 TO 8 – ISSUE OF DIRECTOR INCENTIVE SHARES AND APPROVAL OF LOANS TO RELATED PARTIES

7.1 General

The Company has agreed, to the provision of a limited-recourse, interest free loan (**Loan**) to each of Dr Frazer Tabear and Messrs Steven Michael, and Nicholas Chen Chik Ong (**Eligible Participants**) pursuant to the Plan for the purpose of each subscribing for Restricted Shares on the terms and conditions set out below.

Chapter 2E of the Corporations Act requires that 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.

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

The issue of the Restricted Shares under the Plan and provision of the Loans to each of the Eligible Participants requires the Company to obtain Shareholder approval because:

- (a) the issue of the Restricted Shares to the Eligible Participants under the Plan constitutes giving a financial benefit;
- (b) the limited-recourse, interest free loan to acquire the Restricted Shares constitutes giving a financial benefit; and
- (c) as Directors, the Eligible Participants are related parties of the Company.

Each Director considers that as each other Director is receiving Restricted Shares and being granted a Loan under the Plan, they are unable to consider whether the exceptions set out in sections 210 to 216 of the Corporations Act apply in the current circumstances. Accordingly, Shareholder approval is sought for the issue of Restricted Shares and the grant of the associated loans to the Eligible Participants.

7.2 Technical information required by Chapter 2E of the Corporations Act and ASX Listing Rule 10.14

Pursuant to and in accordance with the requirements of sections 219 of the Corporations Act and ASX Listing Rule 10.15, the following information is provided in relation to the proposed issue of Restricted Shares and the grant of the associated loans to the Eligible Participants:

- (a) the related parties are Dr Frazer Tabear and Messrs Steven Michael and Nicholas Chen Chik Ong and they are related parties by virtue of being Directors; Given that Shareholder approval is being sought at the same time for issues under the Plan to each of the Eligible Participants, they each have an interest in the issue of Restricted Shares to the other;

- (b) the maximum number of Restricted Shares (being a financial benefit to be provided) to be issued to the Eligible Participants (or their nominees) is:

- (i) 4,000,000 Restricted Shares to Mr Steven Michael;
- (ii) 400,000 Restricted Shares to Dr Frazer Tabeart; and
- (iii) 400,000 Restricted Shares to Mr Nicholas Chen Chik Ong;

each on the terms set out in section (i) below;

- (c) the maximum amount of the Loans (each being a financial benefit to be provided) to be provided to the Eligible Participants (or their nominees) can be calculated by multiplying the number of Shares to be issued (determined in accordance with paragraph (b)) by the issue price (determined in accordance with paragraph (e)). Based on the last trading price of Restricted Shares before the date of this Notice (ie \$0.017), the financial benefit being received by the Eligible Participants, being the limited-recourse Loans to purchase the Shares in paragraph (b) above is set out below for each Eligible Participant:

- (i) \$68,000 to Mr Steven Michael;
- (ii) \$6,800 to Dr Frazer Tabeart; and
- (iii) \$6,800 to Mr Nicholas Chen Chik Ong;

- (d) the Restricted Shares will be issued and the Loans will be granted to the Eligible Participants no later than 12 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Restricted Shares will be issued and Loans granted on one date;

- (e) the issue price of the Restricted Shares will be a 1% discount to the volume weighted average of the Company's Shares over the 5 days of trading on the ASX immediately prior to the issue of the Plan Shares, or such other price as the Board determines. For the purposes of details set out in this Notice, an issue price of a 1% discount to the volume weight average of the Company's Shares over the 5 days of trading on the ASX immediately prior to 18 October 2017 (being \$0.017) has been assumed;

- (f) no funds will be raised from the issue of the Restricted Shares as there will be no change to the Company's cash position (ie the Loans made by the Company will be used to subscribe for the Restricted Shares to be issued to the Eligible Participants);

- (g) the Plan was previously approved by Shareholders on 22 November 2017. In 2017 the Company issued the following shares under the Plan at a price of \$0.03 per Share:

- (i) 2,000,000 Shares to Mr Steven Michael;
- (ii) 375,000 Shares to Dr Frazer Tabeart;
- (iii) 375,000 Shares to Mr Nicholas Ong;
- (iv) 500,000 Shares to Mr Matthew Foy; and
- (v) 3,100,000 Shares to employees.

- (h) all Directors are entitled to participate in the Plan (i.e. Dr Frazer Tabear, Mr Steven Michael and Mr Nicholas Chen Chik Ong) and approval is being sought to issue Restricted Shares to each of them under Resolutions 6 to 8 ;
- (i) the Restricted Shares issued to the Eligible Participants will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares, other than being subject to a holding lock until such time as the respective restriction conditions have been satisfied, including the completion of any restriction period, and any Loan has been extinguished or repaid under the terms of the Plan;

Achieving any of the Milestones below will vest 25% of the Plan Shares. Once a Milestone has been achieved it cannot be achieved again. Therefore, once four milestones have been achieved, 100% of the Plan Shares will vest. The time period for achieving any of the Milestones will be three years from the date of issue of the Plan Shares.

The Milestones attaching to the Plan Shares are as follows:

- (i) Discovery of a mineralised prospect with multiple drill intersections of at least 15 gram metres gold (e.g. two separate drill intersections of 5 metres @ 3g/t Au), or gold equivalent (**Milestone 1**);
 - (ii) Discovery of multiple mineralised prospects as defined in Milestone 1 (**Milestone 2**);
 - (iii) Announce a JORC-compliant resource of 100,000oz of gold at a minimum grade of 1.0g/t Au (or equivalent for other metals) (**Milestone 3**);
 - (iv) combined capital raising of \$2 million through a combination of either equity issues at an average issue price at least 75% of the 15-day VWAP prior to each issue and/or proceeds from asset sales (or farm-out joint ventures) (**Milestone 4**);
 - (v) total shareholder return over any 12-month period exceeding +25% (**Milestone 5**); or
 - (vi) continue to be an employee or Director of Arrow until 31 December 2019 (**Milestone 6**).
- (j) the Loans will be provided on the following key terms and otherwise subject to the terms and conditions of the Plan, a summary of which is set out in Schedule 2:
- (i) (**limited-recourse**): the Loan is secured against the Restricted Shares but the Eligible Participant is not personally liable for the Loan. In other words, in the event the Restricted Shares are sold to repay the Loan but the sale proceeds are insufficient to cover the amount of the Loan which is outstanding the Company cannot recover the remaining amount from the Eligible Participant. Conversely, where the sale proceeds are greater than the amount of the Loan the Company will not receive any additional repayment as the Eligible Participant is entitled to the surplus proceeds;
 - (ii) (**interest free**): the Loan will be interest free unless otherwise agreed by the Eligible Participant; and

- (iii) **(term):** 3 years from the date of issue of the Restricted Shares, subject to earlier repayment in accordance with the terms of the Plan;
- (k) The estimated dollar value of interest forgone arising from the interest free Loans to the Eligible Participants is estimated as:
- (i) \$68,000 per annum to Mr Steven Michael;
 - (ii) \$6,800 annum to Dr Frazer Tabeart; and
 - (iii) \$6,800 per annum to Mr Nicholas Chen Chik Ong;

on the assumption that interest would otherwise be charged at 6% per annum for a maximum three year term. As the Loans are limited-recourse, Shareholders should note that the value of the financial benefit may increase in the event the value of the Restricted Shares is lower than the balance of the Loan at the end of the Loan period and the Eligible Participants elects to extinguish the Loan through repayment of the Shares;

- (l) details of any Shares issued under the Plan will be published in each of the Company's annual reports relating to a period in which Shares have been issued and approval for the issue of those Restricted Shares was obtained under ASX Listing Rule 10.14;
- (m) any additional person who becomes entitled to participate in the Plan after this Meeting and who has not been named in this Notice will not participate in the Plan until approval is sought under ASX Listing Rule 10.14;
- (n) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	0.049	11 December 2017
Lowest	0.018	11 September 2018
Last	0.017	18 October 2018

- (o) the relevant interests of the Eligible Participants in securities of the Company as at the date of this Notice are set out below:

Eligible Participants	Shares	Options¹
Mr Steven Michael	4,087,142	653,572
Dr Frazer Tabeart	1,127,679	375,000
Mr Nicholas Ong	1,206,250	298,215

1. Options exercisable at 10¢ each on or before 31 December 2019

- (p) total remuneration paid from the Company to the Eligible Participants and their associates for the previous two financial years and current financial year to date are set out below:

Eligible Participants	2018/2017	2017/2016	2016/2015
Mr Steven Michael	\$338,079	\$336,936	\$407,402
Dr Frazer Tabeart	\$32,120	\$34,938	\$50,495

Mr Nicholas Chen Chik Ong	\$33,000	\$38,063	\$44,787
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- (q) if the maximum number of Restricted Shares are issued to the Eligible Participants, a total of 4,800,000 Shares would be issued. This will increase the number of Shares on issue from 305,540,609 to 310,340,609 (assuming that no Options are exercised and no other Shares are issued) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 1.57%, comprising 1.31% for Mr Michael and 0.13% for each of Dr Tabeart and Mr Ong;
- (r) the primary purpose of the provision of the Loans to the Eligible Participants is to enable the Eligible Participants to subscribe for Shares and the primary purpose for the issue of the Shares to the Eligible Participants is to provide a performance linked incentive component in the remuneration package for the Eligible Participants to motivate and reward the performance of the Eligible Participants in their respective roles as Directors. In addition, by providing the Eligible Participants with a portion of their remuneration as Shares under the Plan, the Company retains that additional cash for use in other aspects of its operations;
- (s) the Board acknowledges the issue of Restricted Shares to Dr Tabeart and Mr Ong, who are non executive Directors, is contrary to Recommendation 8.2 of the ASX Corporate Governance Principles and Recommendations. However, the Board considers the issue of Shares to Dr Tabeart and Mr Ong reasonable in the circumstances, given the necessity to attract the highest calibre of professionals to the Company, whilst maintaining the Company's cash reserves;
- (t) Mr Steven Michael declines to make a recommendation to Shareholders in relation to Resolution 6 due to his material personal interest in the outcome of the Resolution. However, in respect of Resolutions 7 and 8, he recommends that Shareholders vote in favour of those Resolutions for the following reasons:
- (i) the use of the Loans by each Eligible Participant to subscribe for Restricted Shares will align the interests of the Eligible Participants with those of Shareholders by creating a stronger link between performance resulting in increased Shareholder value and reward to the Eligible Participant. Each Eligible Participant will have a greater involvement with, and share in, any future growth and profitability of the Company; and
 - (ii) the provision of the Loans is a reasonable and appropriate method to provide benefits to the Eligible Participants as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash benefits were given to the Eligible Participants;
- (u) Dr Frazer Tabeart declines to make a recommendation to Shareholders in relation to Resolution 7 due to his material personal interest in the outcome of the Resolution. However, in respect of Resolutions 6 and 8, he recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (t);
- (v) Mr Nicholas Chen Chik Ong declines to make a recommendation to Shareholders in relation to Resolution 8 due to his material personal interest in the outcome of the Resolution. However, in respect of Resolutions 6 and

7, he recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (t);

- (w) the Directors consider that in providing the Loans to the Eligible Participants upon the terms proposed the following opportunity cost to the Company and benefits foregone by the Company may occur:
 - (i) no interest is payable on the Loans; and
 - (ii) the Loans are limited-recourse which means the full amount of the Loan may not be recovered where the Shares are sold for less than the amount outstanding on the Loan. In addition, where the sale proceeds are greater than the amount of the Loan the Company will not receive any additional repayment as the Eligible Participant is entitled to the surplus proceeds;
- (x) in forming their recommendations, each Director considered the experience of each other Eligible Participant, the existing and proposed contribution of each Eligible Participant to the Company and the current market practices when determining the provision of the Loans upon the terms proposed; and
- (y) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 6 to 8.

8. ENQUIRIES

Shareholders are required to contact the Company Secretary, Mr Matthew Foy, on (+61 8) 9383 3330 if they have any queries in respect of the matters set out in these documents.

SCHEDULE 1 –NOMINATION OF AUDITOR LETTER

13 September 2018

The Secretary
Arrow Minerals Ltd
Unit 18, 40 St Quentin Avenue
Claremont WA 6010

To Whom it may concern

For the purposes of Section 328B(1) of the Corporations Act 2001, I, Matthew Foy being a member of Arrow Minerals Ltd hereby nominate Pitcher Partners BA&A Pty Ltd as auditor of the company at the Annual General Meeting to be held on 22 November 2018.

Yours sincerely

A handwritten signature in black ink, appearing to read 'M Foy', written over a light grey rectangular background.

Matthew Foy

SCHEDULE 2 – SUMMARY OF EMPLOYEE SHARE PLAN

The key terms of the Employee Share Plan are as follows:

- (a) **Eligibility:** Participants in the Scheme may be directors of the Company or any of its subsidiaries or any other related body corporate of the Company (**Eligible Participants**).
- (b) **Administration of Plan:** The Board is responsible for the operation of the Plan and has a broad discretion to determine which Eligible Participants will be offered Shares under the Plan.
- (c) **Invitation:** The Board may make an invitation to an Eligible Participant to participate in the Plan. The invitation:
- (i) will invite application for the number of Shares specified in the invitation;
 - (ii) will specify the issue price for the Shares or the manner in which the Issue Price is to be calculated;
 - (iii) may invite applications for a loan up to the amount payable in respect of the Shares accepted by the Eligible Participant in accordance with the invitation;
 - (iv) will specify any restriction conditions applying to the Shares;
 - (v) will specify an acceptance period; and
 - (vi) specify any other terms and conditions attaching to the Shares.
- (d) **Issue price:** the issue price of each Share will be not less the volume weighted average price at which Shares were traded on the ASX over the 10 trading days up to and including the date of issue of the Shares offered under the Plan, or such other price as the Board determines.
- (e) **Renounceability:** Eligible Participants may renounce their Invitation in favour of an associate (the Eligible Participants and their associates are each **Participants**).
- (f) **Restriction Conditions:** Shares may be subject to restriction conditions relating to milestones (**Milestone Conditions**) (such as a period of employment) or escrow restrictions (**Escrow Conditions**) which must be satisfied before the Shares can be sold, transferred, or encumbered (**Restriction Conditions**). Shares cannot be sold, transferred or encumbered until any loan in relation to the Shares has been repaid or otherwise discharged under the Plan.
- (g) **Extension of Escrow Condition:** If an Eligible Participant ceases to be an Eligible Participant as a result of an occurrence other than certain bad leaver occurrences prior to the satisfaction of all Restriction Conditions, the escrow restriction applied under the Escrow Condition in relation to the Plan Shares held by the Participant will be extended by 6 months.
- (h) **Loan:** An Eligible Participant who is invited to subscribe for Shares may also be invited to apply for a loan up to the amount payable in respect of the Shares accepted by the Participant (**Loan**), on the following terms:
- (i) the Loan will be interest free unless the Company and the Participant agree otherwise;
 - (ii) the Loan made available to a Participant shall be applied by the Company directly toward payment of the issue price of the Shares;
 - (iii) the Loan repayment date will be 3 years following the issue of Shares under the Plan and the manner for making such payments shall be determined by the Board and set out in the invitation;

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- (iv) a Participant must repay the Loan in full by the loan repayment date but may elect to repay the Loan amount in respect of any or all of the Shares at any time prior to the loan repayment date;
 - (v) the Company shall have a lien over the Shares in respect of which a Loan is outstanding and the Company shall be entitled to buy-back, cancel or sell those Shares in accordance with the terms of the Plan;
 - (vi) a Loan will be non-recourse except against the Shares held by the Participant to which the Loan relates; and
 - (vii) the Board may, in its absolute discretion, agree to forgive a Loan made to a Participant.
- (i) **Unfulfilled Milestone Condition:** Where a Milestone Condition in relation to Shares is not satisfied by the due date, or becomes incapable of satisfaction in the opinion of the Board, the Company may, unless the Milestone Condition is waived by the Board, either:
- (i) buy back and cancel the relevant Shares within 12 months of the date the restriction condition was not satisfied or was waived (or became incapable of satisfaction) under Part 2J.1 of the Corporations Act in consideration for the cancellation of any Loan granted;
 - (ii) cancel the relevant Shares within 12 months of the date the restriction condition was not satisfied or was waived (or became incapable of satisfaction) under Part 2J.1 of the Corporations Act in consideration for the cancellation of any Loan granted; or
 - (iii) in the event that such a buy-back or cancellation of Shares cannot occur, require the Participant to sell the Shares as soon as reasonably practicable either on the ASX and give the Company the sale proceeds (**Sale Proceeds**), which the Company will apply in the following priority:
 - (A) first, to pay the Company any outstanding Loan Amount (if any) in relation to the Shares and the Company's reasonable costs in selling the Shares;
 - (B) second, to the extent the Sale Proceeds are sufficient, to repay the Participant any cash consideration paid by the Participant or Loan Amount repayments (including any cash dividends applied to the Loan Amount) made by or on behalf of the Participant; and
 - (C) lastly, any remainder to the Company to cover its costs of managing the Plan.
- (j) **Sale of Shares to repay Loan:**
- (i) A Loan shall become repayable in full on the earlier of:
 - (A) 3 years following the issue of Shares under the Plan;
 - (B) the date determined under (ii) below;
 - (C) any Shares issued to the Participant in relation to the Loan being sold, transferred, assigned, mortgaged, charged or otherwise encumbered (unless any such actions were undertaken by or on behalf of the Company);
 - (D) the Participant suffering an event of insolvency;
 - (E) the Participant breaching any condition of the Loan or the Plan; or

- (F) a Restriction Condition in relation to Shares subject to the Loan is not satisfied by the due date, or becomes incapable of satisfaction in the opinion of the Board (and is not waived).
- (ii) In the event that the Eligible Participant to whom the invitation was made ceases to be an Eligible Participant, the date for repayment of the Loan under (j)(i)(B) will, subject to the Company buying back, cancelling or selling any Shares where the Eligible Participant ceases such a role for to certain bad leaver reasons (including acting fraudulently or dishonestly, being grossly negligent, demonstrating serious and wilful misconduct, or causing a material adverse effect on the reputation of the Company), be the later of:
- (A) if all Restriction Conditions have been satisfied or waived, within 30 days;
- (B) if a Milestone Condition in relation to Shares is not satisfied or waived, immediately. Such payment obligation shall be satisfied as set out in (i) above; or
- (C) if all Milestone Conditions have been satisfied or waived, but the Escrow Condition has not been satisfied or waived, immediately upon satisfaction.
- (iii) Where a Loan becomes repayable under (j), other than (i)(B) and at that time a Restriction Condition in relation to Shares subject to the Loan is not satisfied, or is incapable of being satisfied in the opinion of the Board (and is not waived), the Company may elect to buy-back or cancel in consideration for cancellation of the Loan or sell the Shares, with the Sale Proceeds being applied to repay the Loan in accordance the Plan.
- (iv) Where a Loan in relation to Shares becomes repayable under (i)(D) or (E) or (ii)(A) and at that time Restriction Conditions in relation to the Shares have either been satisfied or are waived, the Company must give the Participant a 30 day period to repay the Loan, failing which the Company may buy-back, cancel or sell the Shares and, if sold, apply the Sale Proceeds in accordance with the Plan.
- (k) **Power of Attorney:** The Participant irrevocably appoints each of the Company and each director of the Company severally as his or her attorney to do all things necessary to give effect to the sale of the Participant's Shares in accordance with the Plan.
- (l) **Restriction on transfer:** Other than as specified in the Plan, Participants may not sell or otherwise deal with a Share until the Loan Amount in respect of that Share has been repaid and any restriction conditions in relation to the Shares have been satisfied or waived. The Company is authorised to impose a holding lock on the Shares to implement this restriction.
- (m) **Quotation on ASX:** The Company will apply for each Share to be admitted to trading on ASX upon issue of the Share. Quotation will be subject to the ASX Listing Rules and any holding lock applying to the Shares.
- (n) **Rights attaching to Shares:** Each Share shall be issued on the same terms and conditions as the Company's issued Shares (other than in respect of transfer restrictions imposed by the Plan) and it will rank equally with all other issued Shares from the issue date except for entitlements which have a record date before the issue date.

GLOSSARY

\$ means Australian dollars.

10% Placement Capacity has the meaning given to that term in section 5.1 of the Explanatory Statement.

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

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

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 person appointed to chair the meeting of the Company convened by the Notice.

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

- (b) a spouse or child of the member;
- (c) a child of the member's spouse;
- (d) a dependent of the member or the member's spouse;
- (e) 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;
- (f) a company the member controls; or
- (g) a person prescribed by the *Corporations Regulations 2001 (Cth)*.

Company means Arrow Minerals Ltd (ACN 112 609 846).

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.

Eligible Participants has the meaning given in section 7.1 above.

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 and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Loan has the meaning given in section 7.1 of the Explanatory Statement.

Meeting means the Annual General Meeting convened by the Notice.

Notice or **Notice of Meeting** or **Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Statement and the Proxy Form.

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

Plan means the employee share plan as summarised in Schedule 2.

Proxy Form means the proxy form accompanying the Notice.

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 this Notice, or any one of them, as the context requires.

Restricted Shares means Shares issued under the Plan subject to performance milestones set out in section 7.2(i) and repayment of loans set out in section 7.2(j).

Restricted Voter means Key Management Personnel and their Closely Related Parties as at the date of the meeting.

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

Shareholder means a holder of a Share.

Variable A means "A" as set out in the calculation in section 5.2 of the Explanatory Statement.

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



ARROW
MINERALS

2018 ANNUAL GENERAL MEETING PROXY FORM

I/We being shareholder(s) of Arrow Minerals Ltd and entitled to attend and vote hereby:

APPOINT A PROXY

The Chair of the meeting

OR



PLEASE NOTE: If you leave the section blank, the Chair of the Meeting will be your proxy.

or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) named, the Chair of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf, including 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 Annual General Meeting of the Company to be held at **Minerva Corporate, Level 8, 99 St Georges Tce, Perth WA 6000, on 22 November 2018 at 11am (WST)** and at any adjournment or postponement of that Meeting.

Chair authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chair of the Meeting as my/our proxy (or the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Items 1, 6, 7 and 8 (except where I/we have indicated a different voting intention below) even though these Items are connected directly or indirectly with the remuneration of a member(s) of key management personnel, which includes the Chair.

I/we acknowledge the Chair of the Meeting intends to vote all undirected proxies available to them in favour of each Item of Business.

VOTING DIRECTIONS

Agenda Items

	For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director – Frazer Tabcart	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of 10% Placement Capacity – Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Ratification of Prior Issue –Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Issue of Director Incentive Shares and approval of loan to Mr Steven Michael	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Issue of Director Incentive Shares and approval of loan to Dr Frazer Tabcart	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Issue of Director Incentive Shares and approval of loan to Nicholas Chen Chik Ong	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



* 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.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, all the shareholders should sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

Email Address

☐

Please tick here to agree to receive communications sent by the company via email. This may include meeting notifications, dividend remittance, and selected announcements.

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

CHANGE OF ADDRESS

This form shows your address as it appears on Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes.

APPOINTMENT OF A PROXY

If you wish to appoint the Chair as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chair, please write that person's name in the box in Step 1. A proxy need not be a shareholder of the Company. A proxy may be an individual or a body corporate.

DEFAULT TO THE CHAIR OF THE MEETING

If you leave Step 1 blank, or if your appointed proxy does not attend the Meeting, then the proxy appointment will automatically default to the Chair of the Meeting.

VOTING DIRECTIONS – PROXY APPOINTMENT

You may direct your proxy on how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as they choose to the extent they are permitted by law. If you mark more than one box on an item, your vote on that item will be invalid.

PROXY VOTING BY KEY MANAGEMENT PERSONNEL

If you wish to appoint a Director (other than the Chair) or other member of the Company's key management personnel, or their closely related parties, as your proxy, you must specify how they should vote on Items 1, 6, 7 and 8, by marking the appropriate box. If you do not, your proxy will not be able to exercise your vote for Items 1, 6, 7 and 8.

PLEASE NOTE: If you appoint the Chair as your proxy (or if they are appointed by default) but do not direct them how to vote on an item (that is, you do not complete any of the boxes "For", "Against" or "Abstain" opposite that item), the Chair may vote as they see fit on that item.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two 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 telephoning Advanced Share Registry Limited or you may copy this form and return them both together.

To appoint a second proxy you must:

- On each Proxy Form state the percentage of your voting rights or number of shares 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 your votes. Fractions of votes will be disregarded; and
- Return both forms together.

CORPORATE REPRESENTATIVES

If a representative of a nominated corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A Corporate Representative Form may be obtained from Advanced Share Registry.

SIGNING INSTRUCTIONS ON THE PROXY FORM

Individual:

Where the holding is in one name, the security holder must sign.

Joint Holding:

Where the holding is in more than one name, all of the security holders should sign.

Power of Attorney:

If you have not already lodged the Power of Attorney with Advanced Share Registry, please attach the original or 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 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.

LODGE YOUR PROXY FORM

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 11am WST on 20 November 2018, being not later than 48 hours before the commencement of the Meeting. Proxy Forms received after that time will not be valid for the scheduled meeting.



BY MAIL

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009; or
PO Box 1156, Nedlands WA 6909



BY FAX

+61 8 9262 3723



BY EMAIL

admin@advancedshare.com.au



IN PERSON

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009



ALL ENQUIRIES TO

Telephone: +61 8 9389 8033