



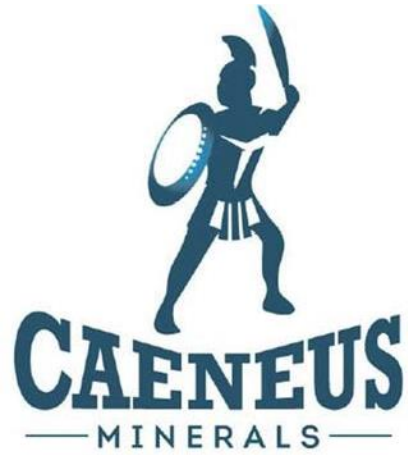
ASX Announcement
31 October 2017

NOTICE OF ANNUAL GENERAL MEETING/PROXY FORM

Caeneus Minerals Ltd ("Caeneus" or "the Company") advises that the attached Notice of Annual General Meeting/Proxy Form has been despatched to shareholders today, 31 October 2017.

For and on behalf of the Board

Keith Bowker
Company Secretary



ACN 082 593 235

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM TO SHAREHOLDERS

Date of Meeting

30 November 2017

Time of Meeting 10.30am (AWST)

Place of Meeting

Somerville Advisory Group, Suite 4, 56 Kings Park Road, West Perth, Western Australia, 6005

A Proxy Form is enclosed

Please read this Notice and Explanatory Memorandum carefully.

If you are unable to attend the Meeting please complete and return the enclosed Proxy Form in accordance with the specified directions.

Caeneus Minerals Ltd

ACN 082 593 235

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Caeneus Minerals Ltd ACN 082 593 235 will be held at Somerville Advisory Group, Suite 4, 56 Kings Park Road, West Perth, Western Australia, 6005 on 30 November 2017 at 10.30am AWST for the purpose of transacting the following business referred to in this Notice of Meeting.

AGENDA

Financial Reports

To receive and consider the financial report of the Company for the year ended 30 June 2017, together with the Directors' Report and the Auditor's Report as set out in the Annual Report.

Resolution 1 – Non Binding Resolution to adopt Remuneration Report

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

"That the Remuneration Report for the year ended 30 June 2017 as set out in the 2017 Annual Report be adopted."

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company. Shareholders are encouraged to read the Explanatory Memorandum for further details on the consequences of voting on this Resolution.

Voting exclusion statement: The Company will disregard any votes cast on Resolution 1 by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed Resolution **or** the proxy is the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the Resolution and expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel; and
- (b) it is not cast on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 1 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 1; or
- (b) the proxy is the Chair 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 Resolution 1.

Shareholders may also choose to direct the Chair to vote against Resolution 1 or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Resolution 2 – Election of Mr Peter Christie as a Director

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

"That Mr Peter Christie, who ceases to hold office in accordance with clause 13.4 of the Constitution and, being eligible, offers himself for election, be elected a Director."

Resolution 3 – Re-election of Mr Keith Bowker as a Director

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

"That, Mr Keith Bowker, who retires in accordance with clause 13.2 of the Constitution and, being eligible for re-election, be re-elected as a Director."

Resolution 4 – Ratification of issue of Shares and Options to sophisticated and professional investors

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

"That, for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue on 13 April 2017 of 440,000,000 Shares (at an issue price of \$0.0025 each) and 220,000,000 Options (exercisable at \$0.003 each on or before 31 December 2020) to sophisticated and professional investors on the terms and conditions set out in the Explanatory Memorandum."

Voting exclusion statement: The Company will disregard any votes cast on Resolution 4 by any person who participated in the issue the subject of Resolution 4 and any person who is an Associate of those persons. However, the Company need not disregard a vote if the vote is cast by:

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

Resolution 5 – Ratification of issue of Shares to S3 Consortium Pty Ltd

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

“That, for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 15,000,000 Shares (at a deemed issue price of \$0.002 each) on 13 April 2017 to S3 Consortium Pty Ltd on the terms and conditions set out in the Explanatory Memorandum.”

Voting exclusion statement: The Company will disregard any votes cast on Resolution 5 by any person who participated in the issue the subject of Resolution 5 and any person who is an Associate of those persons. However, the Company need not disregard a vote if the vote is cast by:

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

Resolution 6 – Ratification of issue of Shares to Venex Capital Corp Ltd

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

“That, for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 30,000,000 Shares on 28 June 2017 to Venex Capital Corp Ltd on the terms and conditions set out in the Explanatory Memorandum.”

Voting exclusion statement: The Company will disregard any votes cast on Resolution 6 by any person who participated in the issue the subject of Resolution 6 and any person who is an Associate of those persons. However, the Company need not disregard a vote if the vote is cast by:

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

Resolution 7 – Ratification of issue of Shares to Segue Resources Ltd

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

“That, for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 58,333,333 Shares (at a deemed issue price of \$0.003 each) on 28 September 2017 to Segue Resources Ltd on the terms and conditions set out in the Explanatory Memorandum.”

Voting exclusion statement: The Company will disregard any votes cast on Resolution 7 by any person who participated in the issue the subject of Resolution 7 and any person who is an Associate of those persons. However, the Company need not disregard a vote if the vote is cast by:

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

Resolution 8 – Ratification of issue of Shares to sophisticated and professional investors

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

“That, for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 200,000,000 Shares (at an issue price of \$0.0015 each) on 3 October 2017 to sophisticated and professional investors on the terms and conditions set out in the Explanatory Memorandum.”

Voting exclusion statement: The Company will disregard any votes cast on Resolution 8 by any person who participated in the issue the subject of Resolution 8 and any person who is an Associate of those persons. However, the Company need not disregard a vote if the vote is cast by:

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

Resolution 9 - Proposed issue of Options to sophisticated and professional investors

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

“That, for the purpose of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 200,000,000 Options (exercisable at \$0.003 each on or before 31 December 2020) to sophisticated and professional investors on the terms and conditions set out in the Explanatory Memorandum.”

Voting exclusion statement: The Company will disregard any votes cast on Resolution 9 by any person who may participate in the proposed issue and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if the Resolution is passed, and any person who is an Associate of those persons. However, the Company need not disregard a vote if the vote is cast by:

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

Resolution 10 – Grant of Options to Mr Steven Elliott

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

"That, for the purposes of section 208 of the Corporations Act and Listing Rule 10.14 and all other purposes the Directors are authorised to issue 100,000,000 Options for no consideration, with each Option having an exercise price of \$0.005 and an expiry date of 30 June 2021 to Mr Steven Elliott or his nominees, on the terms and conditions set out in the Explanatory Memorandum (including Schedule 2 to the Explanatory Memorandum)."

Voting exclusion statement: The Company will disregard any votes cast on Resolution 10 by any Director (who is eligible to participate in the employee incentive scheme in respect of which the approval is sought) and any of their Associates. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed Resolution; and
- (b) it is not cast on behalf of Mr Steven Elliott or his nominees or an Associate of Mr Steven Elliott or his nominees.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 10 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 10; 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 Resolution 10.

However, where the Chair is the related party the subject of the Resolution or is an Associate of the related party, the Chair cannot cast undirected proxies in respect of the Resolution.

Shareholders may also choose to direct the Chair to vote against Resolution 10 or to abstain from voting.

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 (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Resolution 11 – Grant of Options to Mr Keith Bowker

"That, for the purposes of section 208 of the Corporations Act and Listing Rule 10.14 and all other purposes the Directors are authorised to issue 75,000,000 Options for no consideration, with each Option having an exercise price of \$0.005 and an expiry date of 30 June 2021 to Mr Keith Bowker or his nominees, on the terms and conditions set out in the Explanatory Memorandum (including Schedule 2 to the Explanatory Memorandum)."

Voting exclusion statement: The Company will disregard any votes cast on Resolution 11 by any Director (who is eligible to participate in the employee incentive scheme in respect of which the approval is sought) and any of their Associates. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed Resolution; and
- (b) it is not cast on behalf of Mr Keith Bowker or his nominees or an Associate of Mr Keith Bowker or his nominees.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 11 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 11; 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 Resolution 11.

However, where the Chair is the related party the subject of the Resolution or is an Associate of the related party, the Chair cannot cast undirected proxies in respect of the Resolution.

Shareholders may also choose to direct the Chair to vote against Resolution 11 or to abstain from voting.

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 (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Resolution 12 – Grant of Options to Mr Peter Christie

"That, for the purposes of section 208 of the Corporations Act and Listing Rule 10.14 and all other purposes the Directors are authorised to issue 25,000,000 Options for no consideration, with each Option having an exercise price of \$0.005 and an expiry date of 30 June 2021 to Mr Peter Christie or his nominees, on the terms and conditions set out in the Explanatory Memorandum (including Schedule 2 to the Explanatory Memorandum)."

Voting exclusion statement: The Company will disregard any votes cast on Resolution 12 by any Director (who is eligible to participate in the employee incentive scheme in respect of which the approval is sought) and any of their Associates. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed Resolution; and
- (b) it is not cast on behalf of Mr Peter Christie or his nominees or an Associate of Mr Peter Christie or his nominees.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 12 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 12; 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 Resolution 12.

However, where the Chair is the related party the subject of the Resolution or is an Associate of the related party, the Chair cannot cast undirected proxies in respect of the Resolution.

Shareholders may also choose to direct the Chair to vote against Resolution 12 or to abstain from voting.

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 (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Resolution 13 – Approval of Additional 10% Placement Capacity

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

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

Voting exclusion statement: The Company will disregard any votes cast on Resolution 13 by any person who may participate in the proposed issue and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if the Resolution is passed, and any person who is an Associate of those persons. However, the Company need not disregard a vote if the vote is cast by:

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

OTHER BUSINESS

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

Details of the definitions and abbreviations used in this Notice are set out in the Glossary to the Explanatory Memorandum.

By order of the Board



Keith Bowker

Chairman / Company Secretary Dated: 23 October 2017

How to vote

Shareholders can vote by either:

- attending the Meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote;
- voting online at www.advancedshare.com.au/investor-login; and
- appointing a proxy to attend and vote on their behalf using the Proxy Form accompanying this Notice of Meeting and by submitting their proxy appointment and voting instructions in person, by post, electronically via the internet or by facsimile.

Voting in person (or by attorney)

Shareholders, or their attorneys, who plan to attend the Meeting are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that their holding may be checked against the Company's share register and their attendance recorded. To be effective a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for Proxy Forms below.

Voting by a corporate Shareholder

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act.

The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed.

Online voting

Shareholders are encouraged to use the online voting facility that can be accessed at www.advancedshare.com.au/investor-login.

Online voting enables Shareholders to vote directly on resolutions considered at the Meeting without attending the Meeting or appointing a proxy.

If you cast an online vote, you are still entitled to attend the Meeting. However, your attendance will cancel your

online vote unless you instruct the Company or the Company's share registry otherwise.

The Chair's decision as to whether an online vote is valid is conclusive.

To be effective, online voting must be completed by 10.30am (AWST) on 28 November 2017. Voting after this

time will be invalid.

Voting by proxy

- A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the Meeting.
- The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (i.e. where there are two proxies, each proxy may exercise half of the votes).
- A proxy need not be a Shareholder.
- The proxy can be either an individual or a body corporate.
- If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit.
- Should any resolution, other than those specified in this Notice, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.
- If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
- Shareholders who return their Proxy Forms with a direction how to vote, but who do not nominate the identity of their proxy, will be taken to have appointed the Chair as their proxy to vote on their behalf. If a Proxy Form is returned but the nominated proxy does not attend the Meeting, the Chair will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chair, the secretary or any Director that do not contain a direction how to vote will be used, where possible, to support each of the Resolutions proposed in this Notice, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply to some of the proposed Resolutions. These rules are explained in this Notice.
- To be effective, proxies must be received by 10.30am (AWST) on 28 November 2017. Proxies received after this time will be invalid.
- Proxies may be lodged using any of the following methods:
 - by returning a completed Proxy Form in person or by post to:
Advanced Share Registry Limited
110 Stirling Hwy
Nedlands WA 6009

OR

- PO Box 1156
Nedlands WA 6909
- by faxing a completed Proxy Form to:
+61 8 9262 3723.
- by recording the proxy appointment and voting instructions via the internet at www.advancedshare.com.au/investor-login.

The Proxy Form must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the Power of Attorney, or the power itself, must be received by the Company at the above address, or by facsimile, and by 10.30am (AWST) on 28 November 2017. If facsimile transmission is used, the Power of Attorney must be certified.

Shareholders who are entitled to vote

In accordance with paragraphs 7.11.37 and 7.11.38 of the *Corporations Regulations 2001* (Cth), the Board has determined that a person's entitlement to vote at the Meeting will be the entitlement of that person set out in the Company's register of Shareholders as at 4:00pm (AWST) on 28 November 2017.

Caeneus Minerals Ltd

ACN 082 593 235

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Meeting.

Certain abbreviations and other defined terms are used throughout this Explanatory Memorandum. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations are set out in the Glossary to the Explanatory Memorandum.

FINANCIAL REPORTS

The first item of the Notice deals with the presentation of the consolidated annual financial report of the Company for the financial year ended 30 June 2017, together with the Directors' declaration and report in relation to that financial year and the Auditor's Report on the financial report. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

No resolution is required to be moved in respect of this item.

Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the accounts and on the management of the Company.

The Chair will also give Shareholders a reasonable opportunity to ask the Auditor or the Auditor's representative questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the independent audit report;
- (c) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the Auditor in relation to the conduct of the audit.

The Chair will also allow a reasonable opportunity for the Auditor or their representative to answer any written questions submitted to the Auditor under section 250PA of the Corporations Act.

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

Section 250R(2) of the Corporations Act requires the Company to put to its Shareholders a resolution that the Remuneration Report as disclosed in the Company's 2017 Annual Report be adopted. The Remuneration Report is set out in the Company's 2017 Annual Report and is also available on the Company's website, www.caeneus.com.au.

The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

However, if at least 25% of the votes cast are against adoption of the Remuneration Report at two consecutive annual general meetings, the Company will be required to put a resolution to the second annual general meeting (**Spill Resolution**), to approve calling a general meeting (**Spill Meeting**). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must then convene a Spill Meeting within 90 days of the second annual general meeting. All of the Directors who were in office when the applicable directors' report was approved, other than the Managing Director, will need to stand for re-election at the Spill Meeting if they wish to continue as Directors.

The Remuneration Report for the financial year ended 30 June 2016 did not receive a vote of more than 25% against its adoption at the Company's last annual general meeting held on 30 November 2016. Accordingly, if at least 25% of the votes cast on Resolution 1 are **against** adoption of the Remuneration Report it will not result in the Company putting a Spill Resolution to Shareholders.

The Remuneration Report explains the Board's policies in relation to the nature and level of remuneration paid to Directors, sets out remuneration details for each Director and any service agreements and sets out the details of any equity based compensation.

The Chair will give Shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

Voting

Note that a voting exclusion applies to Resolution 1 on the terms set out in the Notice. Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on this Resolution.

RESOLUTION 2 – ELECTION OF MR PETER CHRISTIE AS A DIRECTOR

Resolution 2 seeks approval for the election of Mr Peter Christie as a Director with effect from the end of the Meeting.

Clause 13.4 of the Constitution provides that the Directors may at any time appoint a person to be a Director, either to fill a casual vacancy, or as an addition to the existing Directors, but so that the total number of Directors does not at any time exceed the maximum number specified by the Constitution. Any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election, but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Christie was appointed to the Board as a non-executive director on 3 October 2017 following the resignation of Mr Michael Nottas. Mr Christie retires from office in accordance with the requirements of clause 13.4 of the Constitution and submits himself for election in accordance with clause 13.3 of the Constitution.

Mr Christie is a qualified accountant and tax agent with over 25 years of public accounting experience. He has a Bachelor of Business from Curtin University.

Mr Christie does not hold a directorship in another listed company.

The Board considers Mr Christie to be an independent director.

The Board (excluding Mr Christie) recommends the election of Mr Christie.

RESOLUTION 3 – RE-ELECTION OF MR KEITH BOWKER AS A DIRECTOR

Pursuant to Clause 13.2 of the Constitution, Mr Keith Bowker, being a Director, retires by way of rotation and, being eligible, offers himself for re-election as a Director.

Mr Bowker joined the Board on 17 April 2014. Mr Bowker is a Chartered Accountant and is a founding director of KBH Corporate Pty Ltd, a firm which specialises in providing financial reporting, compliance, corporate advisory services and company secretarial services to ASX listed companies predominantly in the resources sector.

Mr Bowker holds a non-executive director position at Zinc Mines of Ireland (ASX: ZMI).

The Board considers Mr Bowker as an independent director.

The Board (excluding Mr Keith Bowker) recommends the re-election of Mr Keith Bowker.

RESOLUTION 4 – RATIFICATION OF ISSUE OF SHARES AND OPTIONS TO SOPHISTICATED AND PROFESSIONAL INVESTORS

Resolution 4 seeks the approval of Shareholders pursuant to Listing Rule 7.4 for the issue on 13 April 2017 of 440,000,000 Shares (at an issue price of \$0.0025 each) and 220,000,000 Options (exercisable at \$0.003 each on or before 31 December 2020) to sophisticated and professional investors (**April Capital Raising**). As announced on 13 April 2017, the issue of Shares raised \$1,100,000 before costs and free attaching Options were issued on a one for two basis.

Resolution 4 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of those Shares and Options under the April Capital Raising.

The Shares issued under the April Capital Raising were issued under the Company's 15% annual placement capacity set out in Listing Rule 7.1. The Options issued under the April Capital Raising were issued under the Company's additional 10% placement capacity set out in Listing Rule 7.1A.

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1. By ratifying the issue of Shares, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

Listing Rule 7.4 also permits the ratification of previous issues of securities made without prior Shareholder approval, provided the issue did not breach the 10% threshold set by Listing Rule 7.1A. The effect of the ratification of Options is to restore the Company's maximum discretionary power to issue further equity securities up to 10% of the issued capital of the Company without requiring Shareholder approval.

The following information in relation to the Shares and Options issued under the April Capital Raising is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) 440,000,000 Shares and 220,000,000 Options were issued;
- (b) the Shares were issued at an issue price of \$0.0025 each. The issue of Shares raised \$1,100,000 before costs. The Options were issued for nil cash consideration as they were issued as free options attaching to the issue of Shares under the April Capital Raising on the basis of one Option for every two Shares. Accordingly, no funds were raised from the issue of the Options;
- (c) the Shares issued were fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares on issue and rank equally in all respects with the Company's existing Shares on issue. The Options were issued on the terms and conditions set out in Schedule 1 of this Notice;
- (d) the Shares and Options were issued to sophisticated and professional investors, all of whom are unrelated parties of the Company; and
- (e) funds raised from the issue will be used for the Company's maiden drilling program at Scotty's South, Lida Valley and Columbus Marsh, as disclosed to ASX on 13 April 2017.

RESOLUTION 5 – RATIFICATION OF ISSUE OF SHARES TO S3 CONSORTIUM PTY LTD

Resolution 5 seeks the approval of Shareholders pursuant to Listing Rule 7.4 for the issue of 15,000,000 Shares (at a deemed issued price of \$0.002 each) on 13 April 2017 to S3 Consortium Pty Ltd (**Stocks Digital**) for digital media and marketing services provided to the Company between 1 February 2017 and 3 March 2017.

Resolution 5 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Shares to Stocks Digital.

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of 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 Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

The following information in relation to the issue of the Shares to Stocks Digital is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) 15,000,000 Shares were issued;
- (b) the Shares were issued at a deemed issue price of \$0.002 each;
- (c) the Shares issued were fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares on issue and rank equally in all respects with the Company's existing Shares on issue;
- (d) the Shares were issued to Stocks Digital, which is not a related party of the Company; and
- (e) the Shares were issued for nil cash consideration as they were issued as consideration for services provided by Stocks Digital to the Company. Accordingly, no funds were raised from the issue.

RESOLUTION 6 – RATIFICATION OF ISSUE OF SHARES TO VENEX CAPITAL CORP LTD

Resolution 6 seeks the approval of Shareholders pursuant to Listing Rule 7.4 for the issue of 30,000,000 Shares on 8 June 2017 to Venex Capital Corp Ltd (**Venex**). Venex entered into a corporate advisory mandate with the Company on 8 June 2017 to provide management and corporate advisory services to the Company (**Mandate**).

Pursuant to the terms of the Mandate, the Company agreed to pay Venex for the provision of its services as follows:

- (a) a monthly retainer fee of C\$7,500 per month; and
- (b) 30,000,000 Shares (subject to receipt of all necessary shareholder approvals).

Resolution 6 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Shares to Venex.

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of 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 Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

The following information in relation to the issue of the Shares to Venex is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) 30,000,000 Shares were issued;
- (b) the Shares were issued for nil cash consideration as they were issued as consideration for services provided by Venex to the Company pursuant to the Mandate. Accordingly, no funds were raised from the issue. The Shares were issued with a deemed nil issue price;
- (c) the Shares issued were fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares on issue and rank equally in all respects with the Company's existing Shares on issue; and
- (d) the Shares were issued to Venex, which is not a related party of the Company.

RESOLUTION 7 - RATIFICATION OF ISSUE OF SHARES TO SEGUE RESOURCES LTD

Resolution 7 seeks ratification under Listing Rule 7.4 of the issue of 58,333,333 Shares (at a deemed issued price of \$0.003 each) to Segue Resources Ltd (**Segue**) in order to restore the ability of the Company to issue further Shares within the 10% limit under Listing Rule 7.1A during the next 12 months. The Shares were issued on 28 September 2017.

Through its wholly owned subsidiary Port Exploration Pty Ltd (**Port**), the Company is a party to a joint venture agreement with Segue whereby the Company can earn an interest in the Pardoo Nickel Project in Western Australia (**Joint Venture Agreement**).

Whilst the original terms of the Joint Venture Agreement provided that Port could earn a 51% interest (**Stage 1 Interest**) in the Pardoo Nickel Project by expending \$250,000, the parties entered into a deed of variation on 2 September 2016 enabling Port to instead earn the Stage 1 Interest by procuring the issue of 35,000,000 Shares at a deemed issue price of \$0.004 each.

The original terms of the Joint Venture Agreement also provided that Port could earn an additional 29% interest (**Stage 2 Interest**) in the Pardoo Nickel Project by expending a further \$250,000 on exploration by no later than 12 months after earning the Stage 1 Interest. The Company spent approximately \$75,000 on exploration during the 12 months after earning the Stage 1 Interest, leaving approximately \$175,000 to earn the Stage 2 Interest.

However, on 28 September 2017, the parties entered into a second deed of variation enabling Port to instead earn the Stage 2 Interest by procuring the issue of 58,333,333 Shares at a deemed issue price of \$0.003 each.

Accordingly, the Company now holds an 80% interest in the Pardoo Nickel Project.

The Shares were issued to Segue under the Company's additional 10% placement capacity set out in Listing Rule 7.1A.

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior Shareholder approval, provided the issue did not breach the 10% threshold set by Listing Rule 7.1A. The effect of the ratification is to restore the Company's maximum discretionary power to issue further equity securities up to 10% of the issued capital of the Company without requiring Shareholder approval.

The following information in relation to the Shares issued to earn the Stage 2 Interest is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) 58,333,333 Shares were issued;
- (b) the Shares were issued at a deemed issue price of \$0.003 each;
- (c) the Shares issued were fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares on issue and rank equally in all respects with the Company's existing Shares on issue;
- (d) the Shares were issued to Segue Resources Ltd, an unrelated party of the Company; and
- (e) the Shares were issued for nil cash consideration as they were issued as consideration under the Joint Venture Agreement (as amended by a second deed of variation). Accordingly, no funds were raised from the issue.

RESOLUTION 8 – RATIFICATION OF ISSUE OF SHARES TO SOPHISTICATED AND PROFESSIONAL INVESTORS

Resolution 8 seeks the approval of Shareholders pursuant to Listing Rule 7.4 for the issue of 200,000,000 Shares (at an issue price of \$0.0015 each) on 3 October 2017 to sophisticated and professional investors. As announced on 3 October 2017, the issue of Shares raised \$300,000 before costs and free attaching Options are to be issued on a one for one basis exercisable at \$0.003 each on or before 31 December 2020 to the sophisticated and professional investors (**First October Capital Raising**).

Resolution 8 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of those Shares under the First October Capital Raising.

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of 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 Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

The following information in relation to the Shares issued under the First October Capital Raising is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) 200,000,000 Shares were issued;
- (b) the Shares were issued at an issue price of \$0.0015 each;
- (c) the Shares issued were fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares on issue and rank equally in all respects with the Company's existing Shares on issue;
- (d) the Shares were issued to sophisticated and professional investors, all of whom are unrelated parties of the Company; and
- (e) funds raised from the issue will be used for the Company's exploration efforts at its Columbus Marsh Project in Nevada and the Pardoo Nickel Project in Western Australia.

RESOLUTION 9 – PROPOSED ISSUE OF OPTIONS TO SOPHISTICATED AND PROFESSIONAL INVESTORS

Resolution 9 seeks Shareholder approval for the issue of 200,000,000 Options exercisable at \$0.003 each on or before 31 December 2020 to sophisticated and professional investors. The Options will be issued as free attaching options on the basis of one Option for every one Share issued under the First October Capital Raising.

As noted above, Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

The effect of Resolution 9 will be to allow the Company to issue the Options under the First October Capital Raising during the period of 3 months after the Meeting (or such later date as may be permitted by an ASX waiver of the Listing Rules), without using the Company's 15% annual placement capacity.

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the issue of the Options pursuant to the First October Capital Raising:

- (a) the maximum number of Options to be issued is 200,000,000;
- (b) the Options will be issued no later than 3 months after the date of the Meeting (or a later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that the issue will occur on the same date;
- (c) the Options will be issued for nil cash consideration as they are being issued as free options attaching to the issue of Shares under the First October Capital Raising on the basis of one Option for every one Share. Accordingly, no funds will be raised from the issue;
- (d) the Options will be issued to sophisticated and professional investors that participated in the First October Capital Raising, none of whom are related parties of the Company; and
- (e) the Options will be issued on the terms and conditions set out in Schedule 1 of this Notice.

RESOLUTION 10 - GRANT OF OPTIONS TO MR STEVENELLIOTT

The Company proposes to grant a total of 100,000,000 (each with an exercise price of \$0.005 and an expiry date of 30 June 2021) to Mr Steven Elliott or his nominees pursuant to the Employee Equity Incentive Plan.

Any reference to Mr Elliott below should also be construed as a reference to his nominees, unless the context provides otherwise.

Related Party Transactions Generally

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a *related party* of the public company *unless* either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provision; or
- (b) shareholder approval is obtained prior to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

For the purposes of Chapter 2E of the Corporations Act, Mr Elliott is a related party of the Company.

Resolution 10 relates to the issue of Options to a Director, which is a financial benefit that requires Shareholder approval for the purposes of section 208 of the Corporations Act.

Information Requirements – Chapter 2E of the Corporations Act

For the purposes of Chapter 2E of the Corporations Act, the following information is provided.

The related parties to whom the proposed Resolution would permit the financial benefit to be given and the nature of the financial benefit

Subject to Shareholder approval, the Options will be issued as set out in the table below.

The proposed financial benefit to be given is the grant of Options for no consideration to Mr Elliott.

The table below also sets out the amounts that will need to be paid to the Company by Mr Elliott if the Options are exercised.

Director	Number of Options	Amount to be paid (A\$)
Steven Elliott or his nominees	100,000,000	\$500,000

The details of the financial benefit including reasons for giving the type and quantity of the benefit

The proposed grant of Options to Mr Elliott will be subject to the terms of the Caeneus Minerals Ltd Employee Equity Incentive Plan. If, however, there is any inconsistency between the terms of the Options as set out in Schedule 2 and the Employee Equity Incentive Plan, the terms as set out in Schedule 2 prevail to the extent of the inconsistency.

The grant of Options encourages the Directors to have a greater involvement in the achievement of the Company's objectives and to provide an incentive to strive to that end by participating in the future growth and prosperity of the Company through Share ownership. Under the Company's current circumstances, the Directors consider (in the absence of the Mr Elliott) that the incentives intended for Mr Elliott represented by the grant of these Options are a cost effective and efficient means for the Company to provide a reward and an incentive, as opposed to alternative forms of incentive, such as the payment of additional cash compensation.

The number of Options to be granted to Mr Elliott has been determined based upon a consideration of:

- (a) the remuneration of Mr Elliott;
- (b) the extensive experience and reputation of Mr Elliott within the mining industry;
- (c) the Directors' wish to ensure that the remuneration offered is competitive with market standards or/and practice. The Directors have considered the proposed number of Options to be granted and will ensure that Mr Elliott's overall remuneration is in line with market practice; and
- (d) incentives to attract and ensure continuity of service of Directors who have appropriate knowledge and expertise, while maintaining the Company's cash reserves. The Company does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Options upon the terms proposed.

Mr Elliott's Current Holdings

Set out below are details of Mr Elliott's relevant interest in Shares and Options of the Company as at the date of this Notice:

Director	Number of Shares	Number of Options
Mr Steven Elliott	40,000,000	100,000,000 exercisable at \$0.005 on or before 30 June 2021.

Dilution effect of grant of Options on existing members' interests

If passed, Resolution 10 will give the Directors power to grant a total of 100,000,000 Options on the terms and conditions as set out in Schedule 2 to this Explanatory Memorandum and as otherwise mentioned above.

The Company currently has 6,502,822,094 Shares and the following unlisted and listed Options on issue:

Listed Options

Number	Exercise Price	Expiry Date
2,484,946,697	\$0.003	31 December 2020

Unlisted Options

Number	Exercise Price	Expiry Date
1,150,233,917	\$0.005	30 June 2021

If all Options granted as proposed above are exercised, and assuming all existing Options on issue have been exercised, the effect would be to dilute the shareholding of existing Shareholders by 0.99%. The market price of the Company's Shares during the period of the Options will normally determine whether or not Mr Elliott will exercise the Options. At the time any Options are exercised and Shares are issued pursuant to the exercise of the Options, the Company's Shares may be trading at a price which is higher than the exercise price of the Options.

Mr Steven Elliott's total remuneration package

Mr Steven Elliott's fees per annum and the total financial benefit to be received by him in this current period, as a result of the grant of the Options the subject of Resolution 10, are as follows:

Fees p.a. (\$)	Value of Options(\$)	Total Financial Benefit (\$)
150,000	181,476	331,476

Valuation of Options

The Company's advisers have valued the Options to be granted to Mr Elliott using the Black – Scholes Model. The value of an Option calculated by the Black – Scholes Model is a function of a number of variables. The valuation of the Options has been prepared using the following assumptions:

Variable	Input
Share price	\$0.002
Exercise price	\$0.005
Risk Free Interest Rate	1.61%
Volatility	194%
Time (years to expiry)	4 years

The Company's advisers have calculated the value of each Option based on the following assumptions:

- (a) they have based the underlying value of each Share in the Company on the ASX closing price of \$0.002 on 23 October 2017;
- (b) risk free rate of return – 1.61% (estimated, based on government bond rates for similar time period); and
- (c) they used a volatility of the Share price of 194% as determined from the daily movements in Share price over the last 12 months, adjusted for abnormal trading.

Any change in the variables applied in the Black – Scholes calculation between the date of the valuation and the date the Options are granted would have an impact on their value.

Company's historical Share price

The following table gives details of the highest, lowest and latest closing prices of the Company's Shares trading on ASX over the past 12 months ending on 23 October 2017:

Highest Price (A\$)/Date	Lowest Price (A\$)/Date	Latest Price (A\$)/Date
\$0.005 on 20 February 2017	\$0.002 on 23 October 2017	\$0.002 on 23 October 2017

Other Information

Under the Australian Equivalent of the International Financial Reporting Standards (**IFRS**), the Company is required to expense the value of the Options in its statement of financial performance for the current financial year.

Other than as disclosed in this Explanatory Memorandum, the Directors do not consider that from an economic and commercial point of view, there are any costs or detriments including opportunity costs or taxation consequences for the Company or benefits foregone by the Company in granting the Options pursuant to Resolution 10.

Neither the Directors nor the Company are aware of other information that would be reasonably required by Shareholders to make a decision in relation to the financial benefits contemplated by Resolution 10.

Information Requirements - Listing Rules 10.14 and 10.15

Listing Rule 10.14 requires shareholder approval by ordinary resolution for any issue of securities by a listed company to a related party under an employee incentive scheme. Accordingly, Listing Rule 10.14 requires Shareholders to approve the issue of Options under the Employee Equity Incentive Plan to Mr Steven Elliott.

The following information is provided to Shareholders in relation to Resolution 10 for the purposes of Listing Rule 10.15:

- (a) the Options will be granted to Mr Steven Elliott or his nominees as noted above;
- (b) the maximum number of Options to be granted is 100,000,000;
- (c) the Options will be granted for no consideration;
- (d) no funds will be raised by the grant of the Options;
- (e) all Directors, or their permitted nominees, are entitled to participate in the Employee Equity Incentive Plan, but for the purposes of Resolution 10, the Company is only seeking to grant Options to Mr Steven Elliott. The persons referred to in Listing Rule 10.14 who are entitled to participate in the Employee Equity Incentive Plan are Mr Steven Elliott, Mr Keith Bowker and Mr Peter Christie;
- (f) the following persons referred to in Listing Rule 10.14 have received securities under the Employee Equity Incentive Plan since its last approval under Listing Rule 7.2 exception 9(b):

Name	Number of Options	Exercise Price	Expiry Date	Class of Securities	Acquisition Price
Steve James Elliott	100,000,000	0.005	30 June 2021	Unlisted Options	Nil
Keith Douglas Bowker	75,000,000	0.005	30 June 2021	Unlisted Options	Nil
Michael Nottas	25,000,000	0.005	30 June 2021	Unlisted Options	Nil

- (g) no loan is provided in connection with the acquisition or conversion of the Options; and
- (h) the Options will be granted on a date, being no later than 12 months after the date Shareholder approval is obtained for Resolution 10.

If approval is given for the grant of the Options under Listing Rule 10.14, approval is not required under Listing Rule 7.1.

Voting, Directors' recommendation and interest in outcome of Resolution 10

Note that a voting exclusion applies to Resolution 10 in the terms set out in the Notice.

Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on this Resolution.

For the reasons noted above, Mr Keith Bowker and Mr Peter Christie (who have no interest in the outcome of Resolution 10) recommend that Shareholders vote in favour of Resolution 10. Mr Steven Elliott has a material personal interest in the outcome of Resolution 10 as it relates to the proposed issue of Options to him or his nominees.

RESOLUTIONS 11 AND 12 - GRANT OF OPTIONS TO MR KEITH BOWKER AND PETER CHRISTIE

The Company proposes to grant a total of 75,000,000 and 25,000,000 (each with an exercise price of \$0.005 and an expiry date of 30 June 2021) to Mr Keith Bowker and Mr Peter Christie respectively (**Participating Directors**), or their nominees pursuant to the Employee Equity Incentive Plan.

Any reference to the Participating Directors below should also be construed as a reference to their nominees, unless the context provides otherwise.

Related Party Transactions Generally

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a *related party* of the public company *unless* either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provision; or
- (b) shareholder approval is obtained prior to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

For the purposes of Chapter 2E of the Corporations Act, each of the Participating Directors is a related party of the Company.

Resolutions 11 and 12 relate to the proposed grant of Options to the Participating Directors, which is a financial benefit that requires Shareholder approval for the purposes of section 208 of the Corporations Act.

Information Requirements – Chapter 2E of the Corporations Act

For the purposes of Chapter 2E of the Corporations Act, the following information is provided.

The related parties to whom the proposed Resolutions would permit the financial benefit to be given and the nature of the financial benefit

Subject to Shareholder approval, the Options will be issued as set out in the table below.

The proposed financial benefit to be given is the grant of Options for no consideration to the Participating Directors.

The table below also sets out the amounts that will need to be paid to the Company by the Participating Directors if the Options are exercised.

Director	Number of Options	Amount to be paid (A\$)
Mr Keith Bowker or nominees	75,000,000	375,000
Mr Peter Christie or nominees	25,000,000	125,000
Total	100,000,000	500,000

The details of the financial benefit including reasons for giving the type and quantity of the benefit

The proposed grant of Options to the Participating Directors will be subject to the terms of the Caeneus Minerals Ltd Employee Equity Incentive Plan. If, however, there is any inconsistency between the terms of the Options as set out in Schedule 2 and the Employee Equity Incentive Plan, the terms as set out in Schedule 2 will prevail to the extent of the inconsistency.

Under the Company's current circumstances, the Directors (in the absence of the Participating Directors) consider that the grant of Options represents a cost-effective way for the Company to remunerate the Participating Directors, as opposed to cash remuneration.

Shareholders should note that for the reasons noted above, it is proposed to grant Options to Mr Keith Bowker and Mr Peter Christie, notwithstanding the guidelines contained in the box on page 33 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations* (3rd Edition) (**Principles**) which states that non-executive directors should not receive performance-based remuneration or options with performance hurdles attached or performance rights as part of their remuneration as it may lead to bias in their decision-making and compromise their objectivity. The Board considers the grant of Options to Mr Bowker and Mr Christie reasonable in the circumstances, given the necessity to attract the highest calibre of professionals to the Company, while maintaining the Company's cash reserves.

The number of Options to be granted to each of the Participating Directors has been determined based upon a consideration of:

- (a) the remuneration of the Directors;
- (b) the Directors' wish to ensure that the remuneration offered is competitive with market standards or/and practice. The Directors have considered the proposed number of Options to be granted and will ensure that the Participating Directors' overall remuneration is in line with market practice;
- (c) attracting and retaining suitably qualified non-executive directors; and

- (d) incentives to attract and ensure continuity of service of Directors who have appropriate knowledge and expertise, while maintaining the Company's cash reserves. The Company does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Options upon the terms proposed.

Participating Directors' Current Holdings

Set out below are details of each of the Participating Directors' relevant interest in Shares and Options of the Company as at the date of this Notice:

Director	Number of Shares	Number of Options
Mr Keith Bowker or nominees	11,655,083	75,000,000
Mr Peter Christie or nominees	-	-

Dilution effect of grant of Options on existing members' interests

If passed, Resolutions 11 and 12 will give the Directors power to grant a total of 100,000,000 Options on the terms and conditions as set out in Schedule 2 to this Explanatory Memorandum and as otherwise mentioned above.

The Company currently has 6,502,822,094 Shares and the following unlisted and listed Options on issue:

Listed Options

Number	Exercise Price	Expiry Date
2,484,946,697	\$0.003	31 December 2020

Unlisted Options

Number	Exercise Price	Expiry Date
1,150,233,917	\$0.005	30 June 2021

If all Options granted as proposed above are exercised, and assuming all existing Options on issue have been exercised, the effect would be to dilute the shareholding of existing Shareholders by 0.99%. The market price of the Company's Shares during the period of the Options will normally determine whether or not the Participating Directors exercise the Options. At the time any Options are exercised and Shares are issued pursuant to the exercise of the Options, the Company's Shares may be trading at a price which is higher than the exercise price of the Options.

Participating Directors' total remuneration package

The Participating Directors' fees per annum and the total financial benefit to be received by them in this current period, as a result of the grant of the Options the subject of Resolutions 11 and 12, are as follows:

Director	Fees p.a. (\$)	Value of Options (\$)	Total Financial Benefit (\$)
Mr Keith Bowker	\$60,000	\$136,107	\$196,107
Mr Peter Christie	\$30,000	\$45,369	\$75,369

Valuation of Options

The Company's advisers have valued the Options to be granted to Mr Bowker and Mr Christie using the Black – Scholes Model. The value of an Option calculated by the Black – Scholes Model is a function of a number of variables. The valuation of the Options has been prepared using the following assumptions:

Variable	Input
Share price	\$0.002
Exercise price	\$0.005
Risk Free Interest Rate	1.61%
Volatility	194%
Time (years to expiry)	4 years

The Company's advisers have calculated the value of each Option based on the following assumptions:

- (a) they have based the underlying value of each Share in the Company on the ASX closing price of \$0.002 on 23 October 2017;
- (b) risk free rate of return – 1.61% (estimated, based on government bond rates for similar time period); and
- (c) they used a volatility of the Share price of 194% as determined from the daily movements in Share price over the last 12 months, adjusted for abnormal trading.

Any change in the variables applied in the Black – Scholes calculation between the date of the valuation and the date the Options are granted would have an impact on their value.

Company's historical Share price

The following table gives details of the highest, lowest and latest closing prices of the Company's Shares trading on ASX over the past 12 months ending on 23 October 2017:

Highest Price (A\$)/Date	Lowest Price (A\$)/Date	Latest Price (A\$)/Date
\$0.005 on 23 February 2017	\$0.002 on 23 October 2017	\$0.002 on 23 October 2017

Other Information

Under the Australian Equivalent of the International Financial Reporting Standards (IFRS), the Company is required to expense the value of the Options in its statement of financial performance for the current financial year.

Other than as disclosed in this Explanatory Memorandum, the Directors do not consider that from an economic and commercial point of view, there are any costs or detriments including opportunity costs or taxation consequences for the Company or benefits foregone by the Company in granting the Options pursuant to Resolutions 11 and 12.

Neither the Directors nor the Company are aware of other information that would be reasonably required by Shareholders to make a decision in relation to the financial benefits contemplated by Resolutions 11 and 12.

Information Requirements - Listing Rules 10.14 and 10.15

Listing Rule 10.14 requires shareholder approval by ordinary resolution for any issue of securities by a listed company to a related party under an employee incentive scheme. Accordingly, Listing Rule 10.14 requires Shareholders to approve the issue of Options under the Employee Equity Incentive Plan to the Participating Directors.

The following information is provided to Shareholders in relation to Resolutions 11 and 12 for the purposes of Listing Rule 10.15:

- (a) the Options will be granted to the Participating Directors, or their nominees, as noted above;
- (b) the maximum number of Options to be granted is 100,000,000;
- (c) the Options will be granted for no consideration;
- (d) no funds will be raised by the grant of the Options;
- (e) all Directors, or their permitted nominees, are entitled to participate in the Employee Equity Incentive Plan, but for the purposes of Resolutions 11 and 12, the Company is only seeking to grant Options to Mr Keith Bowker and Mr Peter Christie. The persons referred to in Listing Rule 10.14 who are entitled to participate in the Employee Equity Incentive Plan are Mr Keith Bowker, Mr Peter Christie and Mr Steven Elliott.
- (f) the following persons referred to in Listing Rule 10.14 have received securities under the Employee Equity Incentive Plan since its last approval under Listing Rule 7.2 exception 9(b):

Name	Number of Options	Exercise Price	Expiry Date	Class of Securities	Acquisition Price
Steve James Elliott	100,000,000	0.005	30 June 2021	Unlisted Options	Nil
Keith Douglas Bowker	75,000,000	0.005	30 June 2021	Unlisted Options	Nil
Michael Nottas	25,000,000	0.005	30 June 2021	Unlisted Options	Nil

- (g) no loan is provided in connection with the acquisition or conversion of the Options; and
- (h) the Options will be granted on a date, being no later than 12 months after the date Shareholder approval is obtained for Resolutions 11 and 12.

If approval is given for the grant of the Options under Listing Rule 10.14, approval is not required under Listing Rule 7.1.

Voting, Directors' recommendation and interest in outcome of Resolutions 11 and 12

Note that a voting exclusion applies to Resolutions 11 and 12 in the terms set out in the Notice.

Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on these Resolutions.

For the reasons noted above, Mr Steven Elliott and Mr Peter Christie (who have no interest in the outcome of Resolution 11) recommend that Shareholders vote in favour of Resolution 11. Mr Keith Bowker has a material personal interest in the outcome of Resolution 11 as it relates to the proposed issue of Options to him or his nominees.

For the reasons noted above, Mr Steven Elliott and Mr Keith Bowker (who have no interest in the outcome of Resolution 12) recommend that Shareholders vote in favour of Resolution 12. Mr Peter Christie has a material personal interest in the outcome of Resolution 12 as it relates to the proposed issue of Options to him or his nominees.

RESOLUTION 13 – APPROVAL OF ADDITIONAL 10% PLACEMENT CAPACITY

Background

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital over a 12 month period after the annual general meeting at which a resolution for the purposes of Listing Rule 7.1A is passed by special resolution (**Additional 10% Placement Capacity**). The Additional 10% Placement Capacity is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

An entity will be eligible to seek approval under Listing Rule 7.1A if:

- (a) the entity has a market capitalisation of \$300 million or less; and
- (b) the entity that is not included in the S&P ASX 300 Index.

The Company has a market capitalisation of \$18.69m as at 23 October 2017 and is an eligible entity for the purposes of Listing Rule 7.1A.

The number of Equity Securities to be issued under the Additional 10% Placement Capacity will be determined in accordance with the formula set out in Listing Rule 7.1A.2.

Resolution 13 seeks Shareholders' approval to issue additional Equity Securities under the Additional 10% Placement Capacity. It is anticipated that funds raised by the issue of Equity Securities under the Additional 10% Placement Capacity would be applied towards the Company's exploration activities, the acquisition of new assets (should suitable assets be found), administration costs and general working capital.

Listing Rule 7.1A

The effect of Resolution 13 will be to permit the Company to issue the Equity Securities under Listing Rule 7.1A during the Additional Placement Period (as defined below) without using the Company's 15% placement capacity under Listing Rule 7.1.

Equity Securities issued under the Additional 10% Placement Capacity must be in the same class as an existing quoted class of Equity Securities of the Company. As at the date of this Notice the Company has Shares and listed and unlisted Options on issue.

Based on the number of Shares on issue at the date of this Notice, the Company will have 6,502,822,094 Shares on issue and therefore, subject to Shareholder approval being obtained under Resolution 13, 650,282,209 Equity

Securities will be permitted to be issued in accordance with Listing Rule 7.1A. Shareholders should note that the calculation of the number of Equity Securities permitted to be issued under the Additional 10% Placement Capacity is a moving calculation and will be based the formula set out in Listing Rule 7.1A.2 at the time of issue of the Equity Securities, that formula is:

$(A \times D) - E$

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

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

Note that 'A' is has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%.

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

The table below demonstrates various examples as to the number of Equity Securities that may be issued under the Additional 10% Placement Capacity.

Variable 'A'	Number of Shares issued and funds raised under the Additional 10% Placement Capacity and dilution effect	Dilution		
		\$0.001 Issue price at half the current market price	\$0.002 Issue price at current market price	\$0.004 Issue price at double the current market price
Current Variable 'A' 6,502,822,094 Shares	Shares issued	650,282,209	650,282,209	650,282,209
	Funds raised	\$650,282	\$1,300,564	\$2,601,129
	Dilution	10%	10%	10%
50% increase in current Variable 'A' 9,754,233,141	Shares issued	975,423,314	975,423,314	975,423,314
	Funds raised	\$975,423	\$1,950,847	\$3,901,693
	Dilution	10%	10%	10%
100% increase in current variable 'A' 13,005,644,188 Shares	Shares issued	1,300,564,418	1,300,564,418	1,300,564,418
	Funds raised	\$1,300,564	\$2,601,129	\$5,202,258
	Dilution	10%	10%	10%

Notes: This table assumes:

- No Options are exercised before the date of the issue of the Equity Securities.
- The issue of Equity Securities under the Additional 10% Placement Capacity consists only of Shares. If the issue of Equity Securities includes quoted Options, for the purposes of the above table, it is assumed that those quoted Options are exercised into Shares for the purposes of calculating the voting dilution effect on existing Shareholders.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the Additional 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

Resolution 13 is a special resolution, requiring approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative) in order to be passed.

Specific information required by Listing Rule 7.3A

The following information in relation to the Equity Securities proposed to be issued is provided to Shareholders for the purposes of Listing Rule 7.3A:

- The Equity Securities will be issued at an issue price of not less than 75% of the volume weighted average price for the Company's Equity Securities over the 15 Trading Days on which trades in that class of Equity Securities were recorded immediately before:
 - the date on which the price at which the Equity Securities are to be issued is agreed; or
 - if the Equity Securities are not issued within five Trading Days of the date in paragraph (a)(i) above, the date on which the Equity Securities are issued.
- If Resolution 13 is approved by Shareholders and the Company issues Equity Securities under the Additional 10% Placement Capacity, the existing Shareholders' economic and voting interests in the Company will be diluted. There is also a risk that:
 - the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
 - the Equity Securities may be issued:

- (A) at a price that is at a discount to the market price for the Company's Equity Securities on the issue date of the Equity Securities; or
 - (B) as consideration (or part thereof) for the acquisition of a new asset, both of which may have an effect on the amount of funds raised by the issue of Equity Securities under the Additional 10% Placement Capacity.
- (c) The table above shows the dilution of existing Shareholders upon the issue of the maximum number of Equity Securities under the Additional 10% Placement Capacity, using different variables for the number of ordinary securities for variable 'A' (as defined in Listing Rule 7.1A) and the market price of Shares. It is noted that variable 'A' is based on the number of ordinary securities the Company has on issue at the time of the proposed issue of Equity Securities. The table shows:
- (i) examples of where variable 'A' is at its current level, and where variable 'A' has increased by 50% and by 100%;
 - (ii) examples of where the issue price of ordinary securities is the current market price as at close of trade on 23 October 2017 being \$0.002 (current market price), where the issue price is halved, and where it is doubled; and
 - (iii) the dilutionary effect will always be 10% if the maximum number of Equity Securities that may be issued under the Additional 10% Placement Capacity are issued.
- (d) Approval of the Additional 10% Placement Capacity will be valid during the period (**Additional Placement Period**) from the date of the Annual General Meeting and will expire on the earlier of:
- (i) the date that is 12 months after the date of the Annual General Meeting; and
 - (ii) the date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).
- (e) The Company may seek to issue the Equity Securities for the following purposes:
- (i) if Equity Securities are issued for cash consideration, the Company intends to use the funds for exploration activities, the acquisition of new assets, administration costs and for general working capital; and
 - (ii) if Equity Securities are issued for non-cash consideration, for exploration activities, the acquisition of new assets, administration costs and for general working capital. If Equity Securities are issued for non-cash consideration, the Company will comply with the minimum issue price limitation under Listing Rule 7.1A.3 in relation to such issue and will release the valuation of the non-cash consideration to the market.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.3 and 3.10.5A upon issue of any Equity Securities.

- (f) The identity of the persons to whom Equity Securities will be issued is not yet known and will be determined on a case by case basis having regard to market conditions at the time of the proposed issue of Equity Securities and the Company's allocation policy, which involves consideration of matters including, but not limited to:
- (i) the ability of the Company to raise funds at the time of the proposed issue of Equity Securities and whether the raising of any funds under such placement could be carried out by means of an entitlements offer, or a placement and an entitlements offer;
 - (ii) the dilutionary effect of the proposed issue of the Equity Securities on existing Shareholders at the time of proposed issued of Equity Securities;
 - (iii) the financial situation and solvency of the Company; and
 - (iv) advice from the Company's professional advisers, including corporate, financial and broking advisers (if applicable).

The persons to whom Equity Securities will be issued under the Additional 10% Placement Capacity have not been determined as at the date of this Notice, but will not include related parties (or their Associates) of the Company.

- (g) The Company previously obtained Shareholder approval under Listing Rule 7.1A on 30 November 2016. In the 12 months preceding the date of the Meeting, the Company has issued 5,053,762,753 Equity Securities which represents 93.14% of the total number of Equity Securities on issue at the commencement of that 12 month period. The following information is provided in relation to each issue of Equity Securities in the 12 months preceding the date of the Meeting

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 ¹ 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
					If issued for non-cash consideration – a description of the consideration and the current value of the consideration
23/10/2017	a) 133,333,333 b) 138,000,000	a) Fully paid ordinary shares b) Fully paid ordinary shares	a) Issued pursuant to placement b) Issued pursuant to Corporate Advisory Mandate	a) \$0.0015 each b) Deemed issue price of \$0.002 per share	a) Total cash received \$200,000. All funds received were used for the Company's exploration efforts at the Columbus Marsh Project in Nevada and the Pardoo Nickel Project in Western Australia. b) Issued for non-cash consideration pursuant to corporate advisory mandate. Value of the shares \$207,000 (refer ASX announcement on 23 October 2017)
03/10/2017	200,000,000	Fully paid ordinary shares	Issued pursuant to placement	\$0.0015 each	Total cash received \$300,000. All funds received were used for the Company's exploration efforts at the Columbus Marsh Project in Nevada and the Pardoo Nickel Project in Western Australia.
28/09/2017	58,333,333	Fully paid ordinary shares	Issued pursuant to a Deed of Variation to acquire 80% of the Pardoo Nickel Project	Deemed issue price \$0.003 each	Issued non cash consideration to acquire 80% of the Pardoo Nickel Project. Value of the shares is \$175,000 (refer ASX announcement on 28 September 2017)
28/6/2017	a) 100,000,00 b) 30,000,000	a) Fully paid ordinary shares b) Fully paid ordinary shares	a) Issued as part of the consideration payable under Mining Claims Acquisition pursuant to resolution 3 passed at the General Meeting held on 2 June 2016 b) Issued pursuant to a Corporate Advisory Mandate	a) Deemed issue price of \$0.001 each b) Nil	a) Issued for non-cash consideration to acquire Lida Valley projects. Value of the shares \$100,000 b) Issued for non cash consideration pursuant to corporate advisory mandate. Value of the shares \$90,000
21/6/2017	16,000,000	Fully paid ordinary shares	Exercise of quoted 31/12/2020 options	\$0.003 each	Issued for non cash consideration. Value of the shares \$48,000
12/05/2017	125,000,000	Fully paid ordinary shares	Issued as part of the consideration payable to DG Resource Management Ltd under the Mining Claims Acquisition pursuant to resolution 3 passed at a General Meeting held on 28 June 2016 and pursuant to a waiver from ASX Listing Rule 7.3.2.	Deemed issue price of \$0.001 each	Issued for non-cash consideration to acquire the Muddy Mountain projects. Value of the shares \$125,000

13/04/2017	<p>a) 440,000,000</p> <p>b) 220,000,000</p> <p>c) 15,000,000</p>	<p>a) Fully paid ordinary shares</p> <p>b) Listed options exercisable at \$0.003 each, expiring 31 December 2020</p> <p>c) Fully paid ordinary shares</p>	<p>a) Pursuant to a placement</p> <p>b) 1 for 2 free attaching listed options pursuant to the placement</p> <p>c) Issued to a creditor of the company</p>	<p>a) \$0.0025 each</p> <p>b) Nil</p> <p>c) Deemed issue price of \$0.002 each</p>	<p>a) Total cash received \$1,100,000. All funds received were used for the Company's maiden drilling program at Scotty's South, Lida Valley and Columbus Marsh</p> <p>b) Issued for non-cash consideration. The current value of the options is \$399,246² (refer ASX announcement on 13 April 2017)</p> <p>c) issued for non-cash consideration to pay creditors. Value of options is \$30,000</p>
24/02/2017	<p>a) 1,049,431,085</p> <p>b) 50,000,000</p>	<p>a) Options</p> <p>b) Options</p> <p>c) Unlisted options (Already on issue)</p>	<p>a) Issued pursuant to a capital raising in January 2017 and as per resolution 2 passed at the General Meeting held on 24 Feb 2017.</p> <p>b) Issued to Venex Capital Corp Ltd as consideration for the provision of management and corporate advisory services and as per resolution 4 passed at the General Meeting held on 24 Feb 2017.</p>	<p>a) Nil</p> <p>b) Nil</p> <p>c) Already on issue</p>	<p>a) Issued for non cash consideration. The current value of the options is \$1,904,462²</p> <p>b) Issued for non cash consideration for the provision of management and corporate advisory services. The current value of options is \$90,738²</p>
10/01/2017	1,049,431,085	Fully paid ordinary shares	Issued pursuant to placement	Issue price of \$0.001 each	Total cash received \$1,049,431. All funds received were used for Company's exploration efforts at its 100% owned USA tenements
02/12/2016	<p>a) 410,233,917</p> <p>b) 300,000,000</p> <p>c) 50,000,000</p> <p>d) 100,000,000</p> <p>e) 30,000,000</p> <p>f) 200,000,000</p> <p>g) 24,000,000</p> <p>h) 140,000,000</p> <p>i) 140,000,000</p> <p>j) 35,000,000</p>	<p>a) Unlisted options</p> <p>b) Unlisted options</p> <p>c) Fully paid ordinary shares</p> <p>d) Unlisted options</p> <p>e) Fully paid ordinary shares</p> <p>f) Unlisted options</p> <p>g) Fully paid ordinary shares</p> <p>h) Fully paid ordinary shares</p> <p>i) Unlisted options</p> <p>j) Fully paid ordinary shares</p>	<p>a) Issued pursuant to a capital raising in July 2016 and as per resolution 5 passed at the AGM held on 30 Nov 2016.</p> <p>b) Issued to the lead broker of the capital raising (or its nominees) pursuant to a Mandate and as per resolution 6 passed at the AGM held on 30 Nov 2016.</p> <p>c) Issued as final consideration to acquire 100% of the issued capital of ATC Resources Pty Ltd pursuant to a binding Terms Sheet and as per resolution 8 passed at the AGM held on 30 Nov 2016.</p> <p>d) 1 for 1 free attaching unlisted options as part of the acquisition of ATC Resources Pty Ltd and as per resolution 9 passed at the AGM held on 30 Nov 2016.</p> <p>e) Issued to Gold Exploration Management Inc as part of the acquisition of ATC Resources Pty Ltd and as per resolution 11 passed at the AGM held on 30 Nov 2016.</p> <p>f) Issued to directors of the Company as per resolutions 14, 15 and 16 passed at the AGM held on 30 Nov 2016.</p> <p>g) Issued to Venex Capital Corp Ltd pursuant to a corporate advisory mandate and as per resolution 18</p>	<p>a) Nil</p> <p>b) \$0.00001 per unlisted option</p> <p>c) Deemed issue price of \$0.003 each</p> <p>d) Nil</p> <p>e) Deemed issue price of \$0.003 each</p> <p>f) Nil</p> <p>g) Deemed issue price of \$0.003 each</p> <p>h) Deemed issue price of \$0.003 each</p> <p>i) Nil</p> <p>j) Deemed issue price of \$0.003 each</p>	<p>a) Issued for non cash consideration.. the current value of the options is \$744,475²</p> <p>b) Issued for non cash consideration pursuant to mandate. The current value of options is \$544,427²</p> <p>c) Issued for non cash consideration to acquire 100% of the issued capital of ATC Resources Pty Ltd. Value of shares is \$150,000</p> <p>d) Issued for non cash consideration.. the current value of the options is \$1,904,462²</p> <p>e) Issued for non cash consideration to acquire ATC Resources Pty Ltd. Value of shares \$90,000</p> <p>f) Issued for non cash considerations to the directors. The current value of options is \$362,951²</p> <p>g) Issued for non cash consideration.. Value of shares \$72,000</p>

			<p>passed at the AGM held on 30 Nov 2016.</p> <p>h) Issued as consideration to acquire 100% of the issued capital of Nevada Clays Pty Ltd pursuant to a binding Terms Sheet and as per resolution 19 passed at the AGM held on 30 Nov 2016.</p> <p>i) 1 for 1 free attaching unlisted options as part of the acquisition of Nevada Clays Pty Ltd and as per resolution 19 passed at the AGM held on 30 Nov 2016.</p> <p>j) Issued to Gold Exploration Management Inc as part of the acquisition of Nevada Clays Pty Ltd and as per resolution 19 passed at the AGM held on 30 Nov 2016.</p>		<p>h) Issued for non cash consideration. to acquire 100% of the issued capital of Nevada Clays Pty Ltd. Value of shares \$420,000</p> <p>i) Issued for non cash consideration. The current value of options is \$254,066²</p> <p>j) Issued for non cash consideration to acquire Nevada Clays Pty Ltd. Value of shares \$105,000</p>
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Notes:

1 The Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded options).

2. The Options which were issued as non-cash consideration have been valued using the Black –

Scholes method.

- (h) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not determined its allocation policy for the issue of Equity Securities under the Additional 10% Placement Capacity, other than noting the persons to whom Equity Securities will be issued will be determined on a case by case basis having regard to the factors outlined in paragraph (f) above. The Company has not approached, and has not yet determined to approach, any particular existing security holders or an identifiable class of existing security holders to participate in an offer under the Additional 10% Placement Capacity, therefore no existing security holders' votes would be excluded under the voting exclusion statement included in this Notice.

GLOSSARY

\$ means Australian dollars.

Accounting Standards has the meaning given to that term in the Corporations Act.

Annual Report means the annual report of the Company for the year ended 30 June 2017.

Associate has the meaning given in sections 12 and 16 of the Corporations Act. Section 12 is to be applied as if paragraph 12(1)(a) included a reference to the Listing Rules and on the basis that the Company is the “designated body” for the purposes of that section. A related party of a director or officer of the Company or of a Child Entity of the Company is to be taken to be an associate of the director or officer unless the contrary is established.

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

Auditor means the Company's auditor from time to time (if any).

Auditor's Report means the report of the Auditor contained in the Annual Report for the year ended 30 June 2017.

AWST means western standard time as recognised in Perth, Western Australia.

Board means the Directors.

Business Day means a day on which banks are open for business in Perth, Western Australia, other than a Saturday, Sunday or public holiday in Perth, Western Australia.

C\$ means Canadian dollars.

Chair means the chair of the Meeting.

Child Entity has the meaning given to that term in the Listing Rules.

Closely Related Party has the meaning given to that term in the Corporations Act.

Company means Caeneus Minerals Limited ACN 082 593 235.

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

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

Directors means the directors of the Company.

Director's Report means the report of the Directors contained in the Annual Report for the year ended 30 June 2017.

Employee Equity Incentive Plan means the Caeneus Minerals Ltd Employee Equity Incentive Plan.

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 Memorandum means the explanatory memorandum accompanying this Notice.

Key Management Personnel has the meaning given to that term in the Accounting Standards.

Listing Rules means the ASX Listing Rules.

Meeting means the annual general meeting convened by the Notice.

Notice means this Notice of Annual General Meeting.

Notice of Meeting means this Notice of Annual General Meeting.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Annual Report for the year ended 30 June 2017.

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

Resolution means a resolution contained in the Notice.

Shareholder means a member of the Company from time to time.

Shares means fully paid ordinary shares in the capital of the Company.

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

Schedule 1 – Option Terms and Conditions

- (a) Each Option gives the Optionholder the right to subscribe for one Share.
- (b) Each Option will expire at 5.00pm (AWST) on 31 December 2020 (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) Subject to paragraph (k), the amount payable upon exercise of each Option is \$0.003 (**Exercise Price**).
- (d) The Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
- (e) An Optionholder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number of Options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised; (**Exercise Notice**).
- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (g) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- (h) Subject to the Listing Rules, all applicable laws and any restriction or escrow arrangements, the Options may be transferred at any time prior to the Expiry Date.
- (i) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares then on issue.
- (j) The Company will apply for quotation of the Options on ASX. If admitted to the official list of ASX at the time, the Company will also apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those Shares.
- (k) If at any time the issued capital of the Company is reconstructed or reorganised, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction or reorganisation.
- (l) There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (m) Subject to paragraph (k), 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.

**Schedule 2 – Option Terms and Conditions for Options issuable under Employee Equity Incentive Plan to Mr Elliott,
Mr Bowker and Mr Christie**

- (a) Each Option gives the Optionholder the right to subscribe for one Share.
 - (b) Each Option will expire at 5.00pm (AWST) on 30 June 2021 (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
 - (c) Subject to paragraph (k), the amount payable upon exercise of each Option is \$0.005 (**Exercise Price**).
 - (d) The Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
 - (e) An Optionholder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number of Options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised;
- (Exercise Notice).**
- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
 - (g) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
 - (h) Subject to the Listing Rules, all applicable laws and any restriction or escrow arrangements, the Options may be transferred at any time prior to the Expiry Date.
 - (i) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares then on issue.
 - (j) The Company will not apply for quotation of the Options on ASX. However, if admitted to the official list of ASX at the time, the Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those Shares.
 - (k) If at any time the issued capital of the Company is reconstructed or reorganised, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction or reorganisation.
 - (l) There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
 - (m) Subject to paragraph (k), 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.

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LODGE YOUR VOTE ONLINE



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Lodge your proxy by scanning the QR code below, and enter your registered postcode.
It is a fast, convenient and a secure way to lodge your vote.

ANNUAL GENERAL MEETING -VOTING/PROXY FORM

I/We being shareholder(s) of Secos Group Limited and entitled to attend and vote hereby:

APPOINT A PROXY

The Chairman of the meeting

OR

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

If no individual(s) or body corporate(s) is named, the Chairman 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 **Somerville Advisory Group, Suite 4, 56 Kings Park Road, West Perth WA 6005 on 30 November 2017 at 10:30 AM (AWST)** and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on each of Item 1, 10, 11 and 12 (except where I/we have indicated a different voting intention below) even though this item is connected directly or indirectly with the remuneration of a member(s) of key management personnel, which includes the Chairman. The Chairman of the Meeting intends to vote all undirected proxies available to them in favour of each Resolution.

VOTING DIRECTIONS

Resolutions	For	Against	Abstain*	Resolutions	For	Against	Abstain*
1 Approval to Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8 Ratification of Issue of Shares to sophisticated and professional investors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Election of Mr Peter Christie as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Proposed issue of Options to sophisticated and professional investors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Mr Keith Bowker as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Grant of Options to Mr Steven Elliott	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Ratification of Issue of Shares and Options to sophisticated and professional investors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11 Grant of Options to Mr Keith Bowker	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Ratification of Issue of Shares to S3 Consortium Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12 Grant of Options to Mr Peter Christie	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Ratification of issue of Shares to Venex Capital Corp Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	13 Approval of Additional 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Ratification of issue of Shares to Segue Resources Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



* If you mark the Abstain box for a particular Resolution, 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

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 Chairman as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman, 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. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman will be your proxy.

DEFAULT TO THE CHAIRMAN OF THE MEETING

If you leave Step 1 blank, or if your appointed proxy does not vote on a poll in accordance with your directions or does not attend the Meeting, then the proxy appointment will automatically default to the Chairman of the Meeting, who is required to vote the proxies as directed.

VOTING DIRECTIONS – PROXY APPOINTMENT

You may direct your proxy on how to vote by placing a mark in one of the boxes opposite each Resolution. 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 a Resolution 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 Resolution, your proxy may vote as they choose to the extent they are able. If you mark more than one box on a Resolution, your vote on that Resolution will be invalid.

PROXY VOTING BY KEY MANAGEMENT PERSONNEL

If you wish to appoint a Director (other than the Chairman) 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 Item 1, 10, 11 and 12, by marking the appropriate boxes. If you do not, your proxy will not be able to exercise your vote for Item 1, 10, 11 and 12

PLEASE NOTE: If you appoint the Chairman as your proxy (or if they are appointed by default) but do not direct them how to vote on a Resolution (that is, you do not complete any of the boxes "For", "Against" or "Abstain" opposite that Resolution), you will be expressly authorising the Chairman to vote as they see fit on that Resolution.

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 VOTE

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 10:30 AM (AWST) on 28 November 2017, 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.



ONLINE VOTE

www.advancedshare.com.au/investor-login



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; or



ALL ENQUIRIES TO

Telephone: +61 8 9389 8033