



NOTICE OF 2017 ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of members of Admiralty Resources NL (ACN 010 195 972) ("the Company") will be held at the offices of the Company at Suite 305, Level 3, 35 Lime Street, Sydney NSW 2000 on Thursday **30 November 2017** at **9:30am AEDT**.

AGENDA

1. ORDINARY BUSINESS

THE FINANCIAL STATEMENTS AND REPORTS

To table and consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2017, which includes the Financial Report, Directors' Report and Auditor's Report.

Note: The Financial Report, Directors' Report and Auditor's Report for the Company for the year ended 30 June 2017 will be laid before the meeting. There is no requirement for Shareholders to approve those reports. Shareholders will be given an opportunity to raise questions of the Directors and the Company's auditor on the Financial Report and Auditor's Report at the Annual General Meeting.

RESOLUTION 1: DIRECTORS' REMUNERATION REPORT

To consider, and if thought fit, to pass the following resolution as an advisory resolution in accordance with s250R(2) of the Corporations Act:

"That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2017".

NB: Under s250R(3) of the Corporations Act the vote on this resolution is advisory only and does not bind the Directors or the Company.

Further information regarding the Directors' Remuneration Report appears in the attached Explanatory Memorandum.

VOTING EXCLUSION STATEMENT

A vote on Resolution 1 must not be cast (in any capacity) and will be disregarded if cast by or on behalf of any of the following persons:

- (a) member of the key management personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a closely related party of such a member.
(each, an "Excluded Voter").

However, an Excluded Voter may cast a vote on Resolution 1 if:

- (c) both the following apply:
 - (i) The Excluded Voter does so as a proxy appointed by writing that specifies how the proxy is to vote on Resolution 1; and
 - (ii) The vote is not cast on behalf of an Excluded Voter; or
- (d) all of the following apply:
 - (i) the Excluded Voter is the Chairman of the Annual General Meeting; and

- (ii) the Chairman does so as a proxy appointed by means of the proxy form circulated with this Notice of Meeting that does not specify how the proxy is to vote on Resolution 1; and
- (iii) the vote is not cast on behalf of an Excluded Voter; and
- (iv) the Chairman casts the vote in accordance with his stated voting intention in respect of Resolution 1, which is **FOR** the resolution.

RESOLUTION 2: RE-ELECTION OF DIRECTOR – MS QING ZHONG

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

“That, for the purpose of clause 5.3(c)(i) of the Constitution and for all other purposes, Ms Qing Zhong, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

Information about Ms Qing Zhong appears in the attached Explanatory Memorandum.

2. SPECIAL BUSINESS

RESOLUTION 3: APPROVAL OF FOURTH DEED OF AMENDMENT - CONVERTIBLE LOAN FACILITY

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

“That for the purpose of s208 and s229 of the Corporations Act 2001, all applicable ASX Listing Rules and for all other purposes, the company ratifies and approves the fourth deed of amendment to the current Convertible Loan Facility Agreement between Admiralty Resources Hong Kong Limited, a wholly owned subsidiary of Admiralty Resources NL and Smart East Global Limited. The agreement supersedes the third deed of amendment previously ratified by shareholder, and the commencement date of the revised facility terms is 28 September 2017 with a revised maturity date of 31 December 2019.”

Information about the Convertible note facility appears in the attached Explanatory Memorandum.

BY ORDER OF THE BOARD



Jarrod White
Company Secretary
31 October 2017

Voting Entitlement

The Board has determined in accordance with regulation 7.11.37 of the Corporations Regulations that for the purpose of voting at the Annual General Meeting, shares will be taken to be held by those who hold them at 7pm (AEDT) on Monday, 27 November 2017. This means that if you are not the registered holder of a relevant share at that time you will not be entitled to vote in respect of that share.

Voting by Proxy

Each member who is entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on behalf of that member. The proxy need not be a member of the Company.

A member who is entitled to cast two or more votes may appoint one or two proxies and may specify the proportion or number of votes that each proxy is appointed to exercise. If a member appoints two proxies and the appointment does not specify the proportion, or number, of the member's votes, each proxy may exercise half of the member's votes.

Directed and Undirected Proxies

If you choose to appoint a proxy, the Company encourages you to direct your proxy how to vote on each resolution by marking either "For", "Against" or "Abstain" for this item of business on the proxy form.

If you sign the enclosed proxy form and do not specify an individual or body corporate as your proxy, you will have appointed the chairperson of the meeting as your proxy on Resolution 1 (*Remuneration Report*) if you expressly authorise him or her to do so by marking the second box under Step 1.

The chairperson of the meeting (if required, where authorised to do so) will vote undirected proxies on, and in favour of, all of the proposed resolutions.

If you appoint as your proxy any other director of the Company, any other of the Company's key management personnel or any of their closely related parties, they will vote undirected proxies in favour of all of the proposed resolutions except Resolution 1 (*Remuneration Report*). They will not cast any votes in respect of Resolution 1 (*Remuneration Report*) that arise from undirected proxies they hold.

"Key management personnel" of the Company for the financial year ended 30 June 2017 are identified in the Remuneration Report, which forms part of the Company's 2017 Annual Report. The "closely related parties" of the Company's key management personnel are defined in the *Corporations Act 2001* (Cth), and include certain of the family members, dependants and companies they control.

Lodging your Proxy Form

A proxy form is enclosed with this notice of Annual General Meeting. For the appointment of a proxy to be effective for the meeting, the proxy appointment form must be received by Boardroom Pty Limited at least 48 hours before the meeting by one of the methods outlined below:

- delivered by post to the Share Registry, Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001, Australia; or
- sent by fax to the Share Registry, Boardroom Pty Limited, on +61 2 9290 9655; or
- online by visiting www.votingonline.com.au/adyagm2017 and logging in using the control number found on the front of your accompanying proxy form.

The business of the Annual General Meeting affects your shareholding and your vote is important. Please allow sufficient time for delivery of your proxy appointment form as it must be recorded by 9:30am (AEDT) on Tuesday, 28 November 2017 to be effective.

Bodies Corporate

A body corporate may appoint an individual as a representative to exercise all or any of the powers the body corporate may exercise at meetings of members. The appointment may be a standing one. Unless otherwise specified in the appointment, the representative may exercise, on the body corporate's behalf, all of the powers the body corporate could exercise at a meeting or in voting on a resolution.

EXPLANATORY MEMORANDUM

The following notes have been prepared to assist shareholders with their consideration of the resolutions set out in the Notice of Annual General Meeting.

Financial Statements and Reports

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2017 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on the ASX website under the announcements tab for ASX:ADY.

Resolution 1 – Directors' Remuneration Report

1.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

If at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report at the Annual General Meeting, and then again at the Company's 2017 annual general meeting, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of directors of the Company (**Spill Resolution**).

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting (**Spill Meeting**) within 90 days of the Company's 2017 annual general meeting. All of the Directors who were in office when the Company's 2017 Directors' report was approved, other than the managing director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

The remuneration report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The remuneration report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2017.

A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

1.2 Proxy Restrictions

Pursuant to the Corporations Act, if you elect to appoint the Chair, or another member of Key Management Personnel whose remuneration details are included in the Remuneration Report or any Closely Related Party of that member as your proxy to vote on this Resolution 1, you must direct the proxy how they are to vote. Where you do not direct the Chair, or another member of Key Management Personnel whose remuneration details are included in the Remuneration Report or Closely Related Party of that member on how to vote on this Resolution 1, the proxy is prevented by the Corporations Act from exercising your vote and your vote will not be counted in relation to this Resolution 1.

1.3 Directors' Recommendation

Noting that each Director has a personal interest in their own remuneration from the Company as set out in the Remuneration Report, the Board recommends that Shareholders vote in favour of this resolution.

Resolution 2 – Re-election of director – Ms Qing Zhong

Resolution 2 deals with the re-election as a director Ms Qing Zhong, who was appointed as a director on 4 December 2013.

Under Listing Rule 14.4, a director of the Company must not hold office (without re-election) past the third annual general meeting of the Company following the director's appointment or for a period greater than 3 years (whichever is the longer).

Under clause 5.3(c)(i) of the Company's Constitution one third, or the number nearest to one third if not divisible by three, of the current directors must retire by rotation at each annual general meeting. Under clause 5.3(c)(ii) of the Company's Constitution, the directors to retire at any annual general meeting must be those who have been longest in office since their last election, but as between directors who were appointed on the same day, those to retire will, unless they agree otherwise, be determined by drawing lots.

Accordingly Ms Zhong retires at the end of the 2017 Annual General Meeting of the Company and, being eligible and having consented to act, presents herself for re-election.

Ms Zhong is a Director of Sino Investment & Holdings Pty Ltd who is a cornerstone investor in Admiralty Resources NL. Ms Zhong is a Director of a number of unlisted Australian companies that have significant investments in the property market and the mining industry.

The directors (in the absence of Ms Zhong) recommend that shareholders vote in favour of the re-election of Ms Zhong as a director of the Company.

Resolution 3 – Approval of Revision to Convertible Loan Facility

Resolution 3 seeks Shareholder ratification of the Fourth Deed of Amendment to the Convertible Loan Facility Agreement ("**the Agreement**"), for the purposes of s229 and 208, all applicable ASX Listing Rules and all other purposes that the Company executed with Smart East Global Limited ("**SEGL**") on 28 September 2017 and Admiralty's wholly owned subsidiary Admiralty Resources (Hong Kong) Limited ("**ADYHK**").

The Agreement leaves all terms as previously approved by shareholders in place with the exception of amending the convertible note to have an extended maturity date of 31 December 2019.

The aggregated amount of the facility is US\$3.6 million and the total drawn down amount as at the 30 June 2017 was only US\$2,766,105 leaving and un-drawn facility of US\$833,895 as at 30 June 2017.

Admiralty Resources NL as guarantor for the issue of share on any conversion under the Agreement, grants SEGL an option to convert the loan sums (together with any accrued interest) into ordinary shares in the Company.

Under s229(3) of the *Corporations Act 2001* this proposal could potentially constitute giving a "financial benefit" (s229(2)(c)) to a related party as it would constitute the taking up or releasing of an obligation (s229(3)(f)) being ADYHK (wholly owned subsidiary of Admiralty Resources NL) as the borrower under the convertible note facility.

The Company notes that it is likely that s210 and s214 of the *Corporations Act 2001* would exempt the need for member approval of the guarantee to ADYHK, however prudently seeks member approval of the Fourth Deed of Amendment.

SEGL has the right to convert all or any part of the principal amount of the loans, together with any accrued interest, into ordinary shares in the Company at any time before 31 December 2019 where the loan sums and accrued interest remains outstanding. Any such conversion will be at a conversion price of 80% of the Volume Weighted Average price calculated 90 days immediately prior to the Conversion Date which will be the date of receipt of a valid Conversion Notice.

The loan under the Agreement bears an interest at a rate per annum of 12%. Interest is payable by ADYHK quarterly in arrears, with the first interest payment date of the revised facility occurring on 31 December 2017. SEGL may waive the interest on any part of the loan sums by written notice to ADYHK.

The Directors recommend that Shareholders vote in favour of ratification of the Third Deed of Amendment to the Convertible Loan Facility Agreement.

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All Correspondence to:

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** www.boardroomlimited.com.au

☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 9:30am AEDT on Tuesday 28 November 2017.**

🖨 TO VOTE ONLINE

STEP 1: VISIT www.votingonline.com.au/adyagm2017

STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)

STEP 3: Enter your Voting Access Code (VAC):

📱 BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **9:30am AEDT on Tuesday 28 November 2017**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

💻 **Online** www.votingonline.com.au/adyagm2017

📠 **By Fax** + 61 2 9290 9655

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia

👤 **In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

☐

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Admiralty Resources NL** (Company) and entitled to attend and vote hereby appoint:

☐

the **Chair of the Meeting (mark box)**

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at the **Offices of the Company, Suite 305, Level 3, 35 Lime Street, Sydney NSW 2000 on Thursday 30 November 2017 at 9:30am AEDT** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolution 1, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of the Resolution even though Resolution 1 is connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolution 1). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	To Adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	To re-elect Ms Qing Zhong as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval of Revision to Convertible Loan Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2017