
CARAWINE RESOURCES LIMITED

ACN 611 352 348

NOTICE OF ANNUAL GENERAL MEETING

**The Annual General Meeting of the Company will be held at
The Celtic Club, 48 Ord Street, West Perth Western Australia
on Thursday 29 November 2018
at 1:30pm (WST)**

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

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on +618 63190400

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Carawine Resources Limited

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that a general meeting of shareholders of Carawine Resources Limited (**Company**) will be held at The Celtic Club, 48 Ord Street, West Perth Western Australia on Thursday, 29 November 2018 at 1:30pm (WST) (**Meeting**).

The Explanatory Statement provides additional information on matters to be considered at the Meeting. The Explanatory Statement and the Proxy Form form part of this Notice.

If you are unable to attend the Meeting, you are encouraged to complete and return the Proxy Form attached to this Notice.

Voting Eligibility

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Tuesday, 27 November 2018 at 4:00pm (WST).

Terms and abbreviations used in this Notice and the Explanatory Statement are defined in Schedule 1.

How to Vote

You may vote by attending the Meeting in person, by proxy or authorised representative.

Voting in Person

To vote in person, attend the Meeting on the date and at the place set out above. The Meeting will commence at 1:30pm (WST).

Voting by Proxy

A Shareholder who is entitled to cast a vote at the Meeting may appoint a proxy. A proxy need not be a Shareholder and may be an individual or body corporate. If a body corporate is appointed as a proxy it must appoint a corporate representative in accordance with section 250D of the Corporations Act to exercise its powers a proxy at the Meeting.

A Shareholder who is entitled to cast two or more votes may appoint two proxies to attend the Meeting and vote on their behalf and may specify the proportion or a number of votes each proxy is appointed to exercise. If a Shareholder appoints two proxies and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, each proxy may exercise half of the votes (disregarding fractions). If you wish to appoint a second proxy, you may copy the enclosed proxy form or obtain a form from the registered office of the Company.

To be effective for the scheduled meeting a proxy appointment (and any power of attorney or other authority under which it is signed or otherwise authenticated, or a certified copy of that authority) must be received at an address or fax number below no later than 1:30pm (WST) on 27 November 2018, being 48 hours before the time of the meeting. Any proxy appointment received after that time will not be valid for the scheduled Meeting.

Online

www.linkmarketservices.com.au.

Select 'Investor Login' and enter Carawine Resources Limited or the ASX code (CWX) in the Issuer name field, your Security Reference Number (SRN) or Holder Identification Number (HIN) (which is shown on the front of your proxy form), postcode and security code which is shown on the screen and click 'Login'. Select the 'Voting' tab and then follow the prompts. You will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website.

By Mail

Carawine Resources Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235

In Person

Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138

By Facsimile

(within Australia) (02) 9287 0309
(outside Australia) (+612) 9287 0309

For further information concerning the appointment of proxies and the ways in which proxy appointments may be submitted, please refer to the enclosed Proxy Form.

Voting by Attorney

A Shareholder may appoint an attorney to attend and vote on their behalf. For an appointment to be effective for the Meeting, the instrument effecting the appointment (or a certified copy of it) must be received by the Company at one of the addresses listed above for the receipt of proxy appointments at least 48 hours prior to the commencement of the meeting.

AGENDA

GENERAL BUSINESS OF THE MEETING

Annual Report

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2018 together with the declaration of the directors, the director's report, the Remuneration Report and the auditor's report (**Annual Report**).

ORDINARY BUSINESS OF THE MEETING

Resolution 1 - Adoption of Remuneration Report

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

"That for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the Company and its controlled entities for the year ended 30 June 2018 be approved and adopted on the terms and conditions set out in the Explanatory Statement"

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

Voting Exclusion

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

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the voter) described above may cast a vote on Resolution 1 as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (b) the voter is the Chairman and the appointment of the Chairman as proxy:
 - (i) does not specify the way the proxy is to vote on Resolution 1; and
 - (ii) expressly authorises the Chairman to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

Resolution 2 - Re-Election of Mr William Burbury as Director

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

"That, pursuant to and in accordance with Listing Rule 14.5, article 14.2 of the Constitution and for all other purposes, Mr William Burbury, Director, retires and being eligible, is re-elected as a Director on the terms and conditions in the Explanatory Memorandum"

Resolution 3 – Approval of 10% Placement Capacity

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

"That pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman 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 4 – Ratification of Share issue under Listing Rule 7.1 Capacity to Jamieson Minerals Pty Ltd

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

"That, for the purposes of Listing Rule 7.4, and for all other purposes, Shareholders ratify the prior issue by the Company of 838,926 Shares on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue (namely Jamieson Minerals Pty Ltd) or any associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman 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 – Appointment of auditor at first AGM

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

"That, for the purposes of section 327B of the Corporations Act and for all other purposes, HLB Mann Judd, having been nominated by a Shareholder and having consented in writing to act in the capacity of auditor, be appointed as auditor of the Company with effect from the close of the meeting."

OTHER BUSINESS

To transact any other business which may be properly brought before the Meeting in accordance with the Constitution and the Corporations Act.

BY ORDER OF THE BOARD

David Boyd
Managing Director

Dated 17 October 2018

EXPLANATORY STATEMENT

1. Introduction

This Explanatory Statement has been prepared for the information of shareholders of Carawine Resources Limited ACN 611 352 348 (**Company**) in connection with the business to be conducted at the Meeting to be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia, on Thursday, 29 November 2018 at 1:30pm (WST) (**Meeting**).

This Explanatory Statement should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Statement is to provide information to Shareholders in deciding whether or not to pass the Resolutions.

This Explanatory Statement is an important document. It should be read carefully. The Directors recommend Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

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

2. Action to be taken by Shareholders

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

2.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

3. Annual Report

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2018 together with the declaration of the directors, the directors' report, the Remuneration Report and the auditor's report. Shareholders will be offered the opportunity to discuss the Annual Report at the Meeting.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. Copies of the report can be found on the Company's website www.carawine.com.au or by contacting the Company on +618 63190400.

There is no requirement for Shareholders to approve the Annual Report.

Shareholders will be offered the following opportunities:

- (a) discuss the Annual Report for the financial year ended 30 June 2018;
- (b) ask questions about, or make comments on, the management of the Company;
- (c) ask questions about, or make comments on, the Remuneration Report;
- (d) ask the auditor questions about:
 - (i) the conduct of the audit;
 - (ii) the preparation and content of the Auditor's Report;
 - (iii) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
 - (iv) the independence of the auditor in relation to the conduct of the audit,

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the content of the Auditor's Report;
- (b) the conduct of the audit of the Financial Report;

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

4. Resolution 1 – Adoption of Remuneration Report

In accordance with section 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders.

The Directors' Report for the year ended 30 June 2018 contains a Remuneration Report which sets out the policy for the remuneration of the Directors and executives of the Company. Section 250R(3) of the Corporations Act expressly provides that the vote on the Resolution is advisory only and does not bind the Directors or the Company. The Board will however, take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors of the Company. The Remuneration Report is part of the Directors' Report contained in the Financial Report of the Company for the financial year.

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

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

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

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

If you choose to appoint a proxy you are encouraged to direct your proxy how to vote on Resolution 1 by marking either "For", "Against" or "Abstain" on the Proxy Form for this item of business.

If you appoint a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report or a Closely Related Party of that member as your proxy, and you do not direct that person on how to vote on this Resolution 1, the proxy cannot exercise your vote and your vote will not be counted in relation to this Resolution 1.

If you appoint the Chairman as your proxy, and you do not direct the Chairman on how to vote on this Resolution 1, then by signing and returning the proxy form you are giving express authorisation for the Chairman to vote in accordance with his or her intentions. The Chairman intends to vote all undirected proxies **FOR Resolution 1** even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

As this is the Company's first annual general meeting, a Spill Resolution is not relevant for this Meeting.

5. Resolution 2 – Re-election of Mr William Burbury as Director

5.1 Background

Under Listing Rule 14.5 an entity which has directors must hold an election of directors at each annual general meeting.

Article 14.2 of the Constitution requires that at every annual general meeting one third of the directors (rounded down if not a multiple of 3) must retire at each annual general meeting.

In accordance with clause 14.2 and Listing Rule 14.5, Mr Burbury retires and seeks Shareholder approval for re-election under Resolution 2.

If re-elected, the board (having regard to Carawine's "Directors' Test of Independence Policy") confirms that Mr Burbury will be acting as an independent director.

Details of Mr Burbury's background and experience are set out in the Annual Report.

Resolution 2 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 2.

5.2 Directors' Recommendation

The Board (other than Mr Burbury) recommends shareholders vote in favour of Resolution 2.

6. Resolution 3 – Approval of 10% Placement Capacity

6.1 Background

Listing Rule 7.1A provides that an Eligible Entity (defined below) may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital through placements over a 12 month period after the annual general meeting (**10% Placement Capacity**). The 10% Placement Capacity is in addition to the Company'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 maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300 million or less; and (b) the entity is not included in the S&P/ASX 300 Index (**Eligible Entity**). The Company is an Eligible Entity for the purposes of Listing Rule 7.1A as it is not included

in the S&P/ASX 300 Index and has a current market capitalisation of \$12,842,953 (based on the number of Shares on issue and the closing price of Shares on the ASX on 12 October 2018).

If Shareholders approve Resolution 3, the number of Equity Securities to be issued under the 10% Placement Capacity will be determined in accordance with the formula set out in Listing Rule 7.1A.2.

The Company is putting Resolution 3 to Shareholders to seek approval to issue additional Equity Securities under the 10% Placement Capacity. It is anticipated that funds raised by the issue of Equity Securities under the 10% Placement Capacity would be applied as set out in this Resolution below.

The Chairman intends to exercise all available proxies in favour of Resolution 3.

6.2 Listing Rule 7.1A

The effect of Resolution 3 will be to permit the Company to issue the Equity Securities under Listing Rule 7.1A during the Placement Period (as defined below), without subsequent Shareholder approval and without using the Company's 15% placement capacity under Listing Rule 7.1.

Equity Securities issued under the 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 one class of quoted Equity Securities on issue, being the Shares (ASX Code: CWX).

As at the date of this Notice, the Company has 55,838,926 Shares on issue, therefore 5,583,892 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 10% Placement Capacity is a moving calculation and will be based on the formula set out in Listing Rule 7.1A at the time of issue of the Equity Securities.

The table set out in Section 6.3 below demonstrates various examples as to the number of Equity Securities that may be issued under the 10% Placement Capacity.

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

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

Where:

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

Resolution 3 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.

6.3 Specific information required by Listing Rule 7.3A

The following information in relation to this Resolution 3 is provided to Shareholders for the purposes of Listing Rule 7.3A:

- (a) **Minimum Price:** The Equity Securities will be issued at an issue price of not less than 75% of the volume weighted average price of Equity Securities in that class over the 15 Trading Days on which trades in that class were recorded immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) **Risk of voting dilution:** Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.
- (c) There is also a risk that:
 - (i) 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 Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the market price of Shares and the number of Equity Securities on issue as at 3 October 2018.

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

The table shows:

- (a) examples of where variable "A" is at its current level and where variable "A" has increased by 50% and by 100% based on the number of ordinary securities the Company has on issue;
- (b) The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting;
- (c) the dilutionary effect will always be 10% if the maximum number of Equity Securities that may be issued under the 10% Placement Capacity are issued.

Variable 'A'	Number of Shares issued and funds raised under the 10% Placement Capacity and dilution effect	Dilution		
		\$0.115 Issue Price at half the current market price	\$0.23 Issue Price at current market price	\$0.46 Issue Price at double the current market price

Current Variable A 55,838,926 Shares	Shares issued – 10% voting dilution	5,583,926 Shares	5,583,926 Shares	5,583,926 Shares
	Funds raised	\$642,151	\$1,284,303	\$2,568,606
50% increase in current Variable A 83,758,389 Shares	Shares issued – 10% voting dilution	8,375,838 Shares	8,375,838 Shares	8,375,838 Shares
	Funds raised	\$963,221	\$1,926,443	\$3,852,885
100% increase in current Variable A 111,677,852 Shares	Shares issued – 10% voting dilution	11,167,785 Shares	11,167,785 Shares	11,167,785 Shares
	Funds raised	\$1,284,295	\$2,568,591	\$5,137,181

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

The table above uses the following assumptions:

- (a) There are currently 55,838,926 Shares on issue.
- (b) The issue price set out above is the closing price of the Shares on the ASX on 12 October 2018.
- (c) The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
- (d) The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
- (e) The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
- (f) This table does not set out any dilution pursuant to approvals under Listing Rule 7.1.
- (g) No Options are exercised before the date of the issue of the Equity Securities.
- (h) The issue of Equity Securities under the 10% Placement Capacity consists only of Shares.
- (i) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (j) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

Approval of the 10% Placement Capacity will be valid from the date of the Meeting and will expire on the earlier of:

- (a) the date that is 12 months after the date of the Meeting; and

- (b) 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), after which date, an approval under Listing Rule 7.1A ceases to be valid,

(the **Placement Period**).

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

- (a) cash consideration. If Equity Securities are issued for cash consideration, the Company intends to use the funds for development of its existing assets, to acquire new assets or investments and/or general working capital purposes; or
- (b) non-cash consideration for the acquisition of new assets complementary to the Company's activities in the mining sector. 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.4 and 3.10.5A upon issue of any Equity Securities.

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

- (a) the prevailing market conditions at the time of the issue;
- (b) the purpose of the issue;
- (c) 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 alternative means such as an entitlement offer or another offer where existing Shareholders may participate;
- (d) the dilutionary effect of the proposed issue of the Equity Securities on existing Shareholders at the time of the proposed issued of Equity Securities;
- (e) the effect of the issue of the Equity Securities on the control of the Company;
- (f) the circumstances of the Company, including, but not limited to the financial situation and solvency of the Company; and
- (g) advice from its professional advisers, including corporate, financial and broking advisers (if applicable).

The Company notes that:

- (a) the Board has formed no specific intentions to offer any placement to any existing Shareholders, class of Shareholders or any new investors;
- (b) the Board will always consider, prior to making any placement whether the raising of funds could be achieved by means of an entitlements issue to existing Shareholders; and
- (c) if any issue is announced, the Company would disclose its reasons for undertaking that particular issue rather than an entitlements issue to existing shareholders, should that occur.

The recipients under the 10% Placement Capacity have not been determined as at the date of this Notice. They may, however, include current Shareholders, substantial Shareholders and/or new investors none of whom will be related parties (or their associates) of the Company.

Further, if the Company is successful in acquiring new assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new assets or investments.

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 10% Placement Capacity. 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 10% Placement Capacity, and therefore no Shareholder will be excluded from voting on Resolution 3.

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

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

The Company has not previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A.

6.5 Directors' Recommendation

The Board recommends Shareholders vote in favour of this Resolution.

7. Resolution 4 – Ratification of Issue of Shares to Jamieson Minerals Pty Ltd

7.1 Background

On 12 June 2018, the Company issued 838,926 Shares for nil cash consideration to Jamieson Minerals Pty Ltd, who is not a related party of the Company.

The Shares were issued in accordance with the terms of the Jamieson Agreement between Carawine Resources Limited and Jamieson Minerals Pty Ltd as set out in the Company's Prospectus released on 12 December 2017.

The Shares are held in a 12 month voluntary escrow period which applied from the date of issue which prohibits Jamieson Minerals Pty Ltd from being able to sell, transfer or otherwise dispose of any interest in any of the Shares during that period.

The Shares were issued within the Company's 15% placement capacity under Listing Rule 7.1.

Listing Rule 7.1 provides that a company must not (subject to specified exceptions), without the approval of shareholders, 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 ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under Listing Rule 7.1, an Eligible Entity may issue or agree to issue during the period the approval is valid a number of equity securities, in an existing class of quoted Equity Securities, which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in Listing Rule 7.1A.2.

Listing Rule 7.4 provides that where a company in general meeting ratifies a previous issue of securities made pursuant to Listing Rule 7.1 and/or 7.1A, provided that the previous issue did not breach Listing Rule 7.1, the issue of those securities will be deemed to have been with shareholder approval for the purpose of Listing Rule 7.1.

Resolution 4 seeks Shareholder ratification of the issue of the Shares to Jamieson Minerals Pty Ltd pursuant to Listing Rule 7.4. The effect of Shareholders passing Resolution 4 will be to restore the

Company's ability to issue securities within the 15% placement capacity under Listing Rule 7.1 during the next 12 months.

Resolution 4 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 4.

7.2 Information Required by Listing Rule 7.5

For the purposes of Listing Rule 7.5 information regarding the issue of the Shares is provided as follows:

- (a) 838,926 Shares were issued on 12 June 2018;
- (b) the Shares were issued for nil consideration;
- (c) the Shares issued were all fully paid ordinary shares of the Company ranking equally with all other fully paid ordinary shares of the Company;
- (d) the Shares were issued to Jamieson Minerals Pty Ltd who is not a related party of the Company;
- (e) no funds were raised from this issue as the Shares were issued as part consideration for the acquisition of an interest in the Jamieson Project.

7.3 Directors' Recommendation

The Board recommends Shareholders vote in favour of this Resolution.

8. Resolution 5 – Appointment of auditor at first AGM

The Directors of a public company must appoint an auditor within one month of registration. The directors have appointed HLB Mann Judd as the Company's auditor.

The auditor of a public company so appointed within one month of registration holds office until the first annual general meeting of the Company. The auditor must be re-appointed at the first annual general meeting so that they may continue to act as auditor of the Company.

In accordance with section 328B(1) of the Corporations Act, the Company has sought and obtained a nomination from a shareholder for HLB Mann Judd to be appointed as the Company's auditor. A copy of this nomination is attached to this Explanatory Statement as Annexure A.

HLB Mann Judd has given its written consent to act as the Company's auditor subject to shareholder approval of this resolution.

If this Resolution is passed, the appointment of HLB Mann Judd as the Company's auditor will take effect at the close of this Meeting.

Schedule 1 - Definitions

In the Notice and this Explanatory Memorandum:

10% Placement Capacity has the meaning given in Section 6.1.

Annual General Meeting or **Meeting** means the annual general meeting the subject of this Notice.

Annual Report means the Directors' Report, the Financial Report and Auditor's Report in respect to the financial year ended 30 June 2018.

ASX means ASX Limited ABN 58 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

Auditor's Report means the auditor's report on the Financial Report.

Board means the board of Directors.

Chairman means the person appointed to chair the Meeting.

Closely Related Party means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

Company means Carawine Resources Limited ACN 611 352 348.

Constitution means the constitution of the Company as at the commencement of the Meeting.

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

Directors mean the directors of the Company.

Directors' Report means the annual directors' report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities.

Eligible Entity has the meaning given in Section 7.1.

Equity Security has the same meaning as in the Listing Rules.

Explanatory Statement means this explanatory statement.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company and its controlled entities.

Key Management Personnel means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listing Rules means the Listing Rules of the ASX.

Meeting has the meaning given in the introductory paragraph of the Notice.

Notice means the notice of annual general meeting which this Explanatory Statement accompanies.

Option means an option to acquire a Share.

Proxy Form means the proxy form attached to the Notice.

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

Resolution means the resolution referred to in the Notice.

Schedule means a schedule to the Notice.

Section means a section of this Explanatory Statement.

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

Shareholder means a holder of a Share.

Spill Resolution has the meaning given in Section 3.

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

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

WST means Western Standard Time in Australia

ANNEXURE A – Nomination of Auditor letter

17 October 2018

Carawine Resources Limited

Level 2, 41-47 Colin Street

West Perth WA 6005

I, Mr David Boyd, being a member of Carawine Resources Limited (**Company**), nominate HLB Mann Judd in accordance with section 328B(1) of the *Corporations Act 2001* (Cth) (**Act**) to fill the office of auditor of the Company.

Please distribute copies of this notice of this nomination as required by section 328B(3) of the Act.

Signed and dated 17 October 2018:

A handwritten signature in black ink, appearing to read 'D Boyd', with a stylized flourish at the end.

David Boyd

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This page has been left blank intentionally.

LODGE YOUR VOTE

-  **ONLINE**
www.linkmarketservices.com.au
-  **BY MAIL**
Carawine Resources Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia
-  **BY FAX**
+61 2 9287 0309
-  **BY HAND**
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138
-  **ALL ENQUIRIES TO**
Telephone: 1300 554 474 Overseas: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of Carawine Resources Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box) **OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

STEP 1

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act 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 the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **1:30pm (WST) on Thursday, 29 November 2018 at the Celtic Club, 48 Ord Street, West Perth (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolution 1: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 1, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

STEP 2

Resolutions	For	Against	Abstain*		For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Appointment of auditor at first AGM	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Mr William Burbury as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
3 Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Ratification of Share issue under Listing Rule 7.1 Capacity to Jamieson Minerals Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

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

SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED

STEP 3

Securityholder 1 (Individual) Joint Securityholder 2 (Individual) Joint Securityholder 3 (Individual)

Sole Director and Sole Company Secretary Director/Company Secretary (Delete one) Director

This form should be signed by the securityholder. If a joint holding, either securityholder may sign. If signed by the securityholder'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).



HOW TO COMPLETE THIS SECURITYHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's security register. If this information is incorrect, please make the correction on the form. Securityholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your securities using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a securityholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in 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 voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

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 the Company's security registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either securityholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's security registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **1:30pm (WST) on Tuesday, 27 November 2018**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged by:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your securityholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



BY MAIL

Carawine Resources Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

* During business hours (Monday to Friday, 9:00am–5:00pm)



COMMUNICATIONS PREFERENCE

We encourage you to receive all your shareholder communication via email. This communication method allows us to keep you informed without delay, is environmentally friendly and reduces print and mail costs.



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Communications' and click the first button to receive all communications electronically and enter your email address. To use the online facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).

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