
BERKUT MINERALS LIMITED

ACN 610 855 064

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 11.00 am
DATE: 27 November 2017
PLACE: Level 2, 10 Kings Park Road
West Perth, Western Australia 6005

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

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 11.00 am on 25 November 2017.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2017 together with the declaration of the directors, the director's report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

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

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

Voting Prohibition Statement:

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

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

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

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

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – JUSTIN TREMAIN

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

“That, for the purpose of clause 13.2 of the Constitution, and for all other purposes, Justin Tremain, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

4. RESOLUTION 3 – ELECTION OF DIRECTOR – NEIL INWOOD

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

“That, for the purpose of clause 13.4 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Neil Inwood, a Director who was appointed casually on 26 April 2017, retires, and being eligible, is elected as a Director.”

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 6,700,000 Shares on the terms and conditions set out in the Explanatory Statement.”

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

6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF BROKER SHARES

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 350,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Canaccord Genuity (Australia) Ltd and its nominees who participated in this issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. RESOLUTION 6 – ISSUE OF RELATED PARTY OPTIONS TO JUSTIN TREMAIN

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 500,000 Options to Justin Tremain (or his nominee) under the Employee Option Plan on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any Director of the Company – in the case of a trust, the responsible entity – who is eligible to participate in the employee incentive scheme in respect of which the approval is sought, and any associates of those Directors (**Resolution 6 Excluded Party**). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, provided the Chair is not a Resolution 6 Excluded Party, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

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

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and

- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 6 Excluded Party, the above prohibition does not apply if:

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

8. RESOLUTION 7 – ISSUE OF RELATED PARTY OPTIONS TO NEIL INWOOD

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 1,000,000 Options to Neil Inwood (or his nominee) under the Employee Option Plan on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any Director of the Company – in the case of a trust, the responsible entity – who is eligible to participate in the employee incentive scheme in respect of which the approval is sought, and any associates of those Directors (**Resolution 7 Excluded Party**). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, provided the Chair is not a Resolution 7 Excluded Party, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

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

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

Provided the Chair is not a Resolution 7 Excluded Party, the above prohibition does not apply if:

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

9. RESOLUTION 8 – ISSUE OF RELATED PARTY OPTIONS TO PAUL PAYNE

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 500,000 Options to Paul Payne (or his nominee) under the Employee Option Plan on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any Director of the Company – in the case of a trust, the responsible entity – who is eligible to participate in the employee incentive scheme in respect of which the approval is sought, and any associates of those Directors (**Resolution 8 Excluded Party**). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who

is entitled to vote, in accordance with the directions on the Proxy Form, or, provided the Chair is not a Resolution 8 Excluded Party, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

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

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

Provided the Chair is not a Resolution 8 Excluded Party, the above prohibition does not apply if:

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

10. RESOLUTION 9 – APPROVAL OF 10% PLACEMENT CAPACITY

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

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

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution and a 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 associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Dated: 13 October 2017

By order of the Board



**Aaron Bertolatti
Company Secretary**

Voting in person

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

Voting by proxy

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

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

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

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

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9320 2320.

EXPLANATORY STATEMENT

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

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 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 its website at www.berkutminerals.com.au.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

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

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

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

2.2 Voting consequences

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

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

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

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

2.3 Previous voting results

The Company was admitted to the official list of the ASX on 30 August 2016. Accordingly, the remuneration report for period ending 30 June 2016 was not required to be considered at the Company's first annual general meeting. The Spill Resolution is therefore not relevant for this Annual General Meeting.

3. RESOLUTION 2 – RE-ELECTION OF JUSTIN TREMAIN AS DIRECTOR

3.1 General

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

Justin Tremain, who has served as a director since 19 February 2016, retires by rotation and seeks re-election.

3.2 Qualifications and other material directorships

Mr. Justin Tremain graduated from the University of Western Australia with a Bachelor of Commerce degree. Mr. Tremain cofounded ASX listed Renaissance Minerals Limited in June 2010 and served as Managing Director until its takeover by ASX Emerald Resources NL in November 2016.

Prior to founding Renaissance Minerals Limited, he had over 10 years' investment banking experience in the natural resources sector. He has held positions with Investec, NM Rothschild & Sons and Macquarie Bank and has extensive experience in the funding of natural resource projects in the junior to mid-tier resource sector. He has undertaken numerous advisory assignments for resource companies, including acquisition and disposal assignments and project advisory roles.

Mr Tremain is currently also an Executive Director of Emerald Resources NL.

3.3 Independence

If elected the board does not consider Mr Tremain will be an independent director.

3.4 Board recommendation

The Board supports the re-election of Justin Tremain and recommends that Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 – ELECTION OF NEIL INWOOD AS DIRECTOR

4.1 General

The Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to the Constitution and ASX Listing Rule 14.4, any Director so appointed holds office only until the next following annual general meeting and is then

eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Neil Inwood, having been appointed by other Directors on 26 April 2017 in accordance with the Constitution, will retire in accordance with the Constitution and ASX Listing Rule 14.4 and being eligible, seeks election from Shareholders.

4.2 Qualifications and other material directorships

Mr. Neil Inwood is a highly experienced geologist with over 22 years' international experience in gold, base metal, and specialty metals. Mr. Inwood has worked in consulting and venture capital for the last 13 years, was previously the Executive Geologist with Verona Capital and prior to that Principal Geologist with the international mining consultancy Coffey Mining.

Most recently Mr. Inwood led the geological team that established the world-class endowment of the Panda Hill Niobium Project in Tanzania for Cradle Resources, and performed the role of Geology Manager for Boss Resources following his involvement in the acquisition phase of the Honeymoon Uranium Mine. Mr. Inwood holds a Master's Degree in Geology and is a Fellow of the AusIMM.

Mr Inwood's professional qualifications include: M.Sc (Ore Deposit Geology) UWA and B.Sc (Applied Geology), FAusIMM.

4.3 Independence

Mr Inwood has no interests, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the board and to act in the best interest of the entity and its security holders generally.

If elected the board does not consider Mr Inwood will be an independent director.

4.4 Board recommendation

The Board supports the re-election of Mr Inwood and recommends that Shareholders vote in favour of Resolution 3.

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES

5.1 General

On 22 August 2017, the Company issued 6,700,00 Shares at an issue price of \$0.23 per Share to raise \$1,541,000 under a placement to institutional and sophisticated investors (**Placement**).

Canaccord Genuity (Australia) Ltd (**Canaccord Genuity**) acted as lead manager to the Placement.

Resolution 4 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Shares under the Placement.

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

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

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

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

5.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Resolution 4:

- (a) 6,700,000 Shares were issued;
- (b) the issue price was \$0.23 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to institutional and sophisticated investors of Canaccord Genuity (Australia) Ltd. None of these subscribers are related parties of the Company; and
- (e) the funds raised from this issue were used for expansion of activities in Scandinavia, including drilling at its 100% owned cobalt projects.

6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF BROKER SHARES

6.1 General

As set out above, Canaccord Genuity acted as the lead manager to the Company in respect of the Placement which completed in August 2017.

On 22 August 2017, the Company issued 350,000 Shares to a nominee of Canaccord Genuity for nil issue price in consideration for the lead manager services provided to the Company.

Resolution 4 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares.

A summary of ASX Listing Rules 7.1 and 7.4 is set out in section 5.2 of this Notice above.

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

6.2 Technical information required by ASX Listing Rule 7.4

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

- (a) 350,000 Shares were issued;
- (b) the issue price was nil per Share in consideration for services provided to the Company;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to a nominee of Canaccord Genuity (Australia) Ltd who is not a related party of the Company; and
- (e) the Shares were issued for nil cash consideration in consideration for services provided to the Company, accordingly, no funds were raised from the issue.

7. RESOLUTION 6 TO 8 – ISSUE OF RELATED PARTY OPTIONS TO DIRECTORS

7.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue a total of 2,000,000 Options (**Related Party Options**) to Messrs Tremain, Inwood and Payne (**Related Parties**) pursuant to the Employee Option Plan (**Plan**) and on the terms and conditions set out below.

The terms of the Employee Option Plan were summarised in the Company's initial public offer prospectus dated 22 July 2016.

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

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

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

The grant of the Related Party Options constitutes giving a financial benefit and Messrs Tremain, Inwood and Payne are related parties of the Company by virtue of being Directors.

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

As it is proposed that Related Party Options be issued to all Directors, the Directors have been unable to form quorum to consider whether one of the exceptions set out in sections 210 to 216 of the Corporations Act or ASX Listing Rule 10.15B applies to these issues. Accordingly, Shareholder approval is sought for the issue of Related Party Options to the Related Parties.

7.2 Technical information required by Chapter 2E of the Corporations Act and ASX Listing Rule 10.15

Pursuant to and in accordance with the requirements of section 219 of the Corporations Act and ASX Listing Rule 10.15, the following information is provided in relation to the proposed grant of Related Party Options:

- (a) the related parties are Messrs Tremain, Inwood and Payne and they are related parties by virtue of being Directors;
- (b) the maximum number of Related Party Options (being the nature of the financial benefit being provided) to be granted to the Related Parties is 2,000,000 Related Party Options comprising:
 - (i) 500,000 Related Party Options to Justin Tremain (**Resolution 6**);
 - (ii) 1,000,000 Related Party Options to Neil Inwood (**Resolution 7**); and
 - (iii) 500,000 Related Party Options to Paul Payne (**Resolution 8**).
- (c) Subject to the terms of the Plan (including the occurrence of a Change of Control Event), the Related Party Options will vest as follows:
 - (i) 50% of each Related Party's Options will vest upon the Company reaching a market capitalisation exceeding A\$30,000,000 for 30 concurrent days (which represents an approximate 100% increase in the Company's current market capitalisation);
 - (ii) 50% of each Related Party's Options will vest upon the Company announcing a Mineral Resource reported in accordance with the JORC Code (or an increase in a Mineral Resource reported in accordance with the JORC Code for any projects acquired by the Company with an existing Mineral Resource reported in accordance with the JORC Code) with an aggregate in-ground value of more than A\$250,000,000,

(**Vesting Conditions**);
- (d) the Related Party Options will be granted for nil cash consideration, accordingly no funds will be raised;
- (e) no loan will be provided to the Related Parties with respect to the Related Party Options;
- (f) the Plan was approved by the Board prior to the Company admission to the ASX in August 2016 and terms were summarised in the Company's initial public offer prospectus dated 22 July 2016. No previous Options have been issued pursuant to the Plan.
- (g) any full or part time employee or director (being Justin Tremain, Neil Inwood and Paul Payne) of the Company is entitled to participate in the Plan, however, at the current time the Company does not intend to make an offer to any other employees. Accordingly, approval is being sought only for the offer to the Related Parties;

- (h) the Related Party Options will be issued to the Related Party's no later than 12 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Shares will be issued on one date;
- (i) the terms of the Related Party Options are in accordance with the Plan subject to the key terms and conditions of the Related Party Options summarised in Schedule 1;
- (j) the value of the Related Party Options is set out in Schedule 2.
- (k) the relevant interests of the Related Parties in securities of the Company are set out below:

| Related Party | Shares | Options |
|----------------|------------------------|------------------------|
| Justin Tremain | 2,350,000 ¹ | 500,000 ² |
| Neil Inwood | nil | 2,000,000 ³ |
| Paul Payne | 75,000 ¹ | 500,000 ² |

¹ Fully paid ordinary shares in the capital of the Company (ASX: BMT)

² Unlisted Options exercisable at \$0.25 each on or before 31 December 2019.

³ Unlisted Options comprising: 1,000,000 Options exercisable at \$0.25 each on or before 31 December 2019 and 1,000,000 Options exercisable at \$0.30 each on or before 31 December 2019.

- (l) the remuneration and emoluments from the Company to the Related Parties for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out below:

| Related Party | Current Financial Year | Previous Financial Year |
|----------------|------------------------|-------------------------|
| Justin Tremain | \$45,000 | \$27,375 |
| Neil Inwood | \$230,000 | \$165,562 |
| Paul Payne | \$30,000 | \$46,995 |

- (a) if the Related Party Options granted to the Related Parties are exercised, a total of 2,000,000 Shares would be issued. This will increase the number of Shares on issue from 54,316,666 to 56,316,666 (assuming that no other Options are exercised and no other Shares are issued with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 3.68%, comprising 1.84% by Neil Inwood and 0.92% by Justin Tremain and 0.92% Paul Payne.
- (b) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

| | Price | Date |
|---------|-------------|------------------|
| Highest | 0.365 cents | 19 July 2017 |
| Lowest | 0.14 cents | 27 February 2017 |
| Last | 0.335 cents | 12 October 2017 |

- (c) the Board acknowledges the grant of Related Party Options to Messrs Tremain and Payne is contrary to Recommendation 8.3 of The Corporate Governance Principles and Recommendations with 2010 Amendments (3rd Edition) as published by The ASX Corporate Governance Council. However, the Board considers the grant of Related Party Options to Messrs Tremain and Payne reasonable in the circumstances for the reason set out in paragraph (e);
- (d) the primary purpose of the grant of the Related Party Options to the Related Parties is to provide a performance linked incentive component in the remuneration package for the Related Parties to motivate and reward the performance of the Related Parties in their respective roles as Directors.

The market price for Shares during the term of the Related Party Options would normally determine whether or not Options are exercised. At the date of this Notice, the Shares are trading on ASX at a price greater than the nominal exercise price of Related Party Options (\$0.001), however the Related Party Options cannot be exercised until the Vesting Conditions have been satisfied.

The Board considers that the grant of the Related Party Options, and in particular the Vesting Conditions, align the interests of the Company and Directors with that of Shareholders;

Where the Related Party Options, once vested, are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Related Party Options, there may be a perceived cost to the Company;

- (e) Justin Tremain declines to make a recommendation to Shareholders in relation to Resolution 6 due to his material personal interest in the outcome of the Resolution on the basis that Mr Tremain is to be granted Related Party Options in the Company should Resolution 6 be passed. However, in respect of Resolutions 7 and 8, Mr Tremain recommends that Shareholders vote in favour of those Resolutions for the following reasons:
 - (i) the grant of Related Party Options to the Related Parties, in particular the vesting conditions of the Related Party Options, will align the interests of the Related Parties with those of Shareholders;
 - (ii) the grant of the Related Party Options is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Parties; and
 - (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Related Party Options upon the terms proposed;
- (f) Neil Inwood declines to make a recommendation to Shareholders in relation to Resolution 7 due to his material personal interest in the outcome of the Resolution on the basis that Mr Inwood is to be granted Related Party Options in the Company should Resolution 7 be passed.

However, in respect of Resolutions 6 and 8, Mr Inwood recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (e);

- (g) Paul Payne declines to make a recommendation to Shareholders in relation to Resolution 8 due to his material personal interest in the outcome of the Resolution on the basis that Mr Payne is to be granted Related Party Options in the Company should Resolution 8 be passed. However, in respect of Resolutions 6 and 7, Mr Payne recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (e);
- (h) in forming their recommendations, each Director considered the experience of each other Related Party, the current market price of Shares, the current market practices when determining the number of Related Party Options to be granted as well as the vesting conditions and expiry date of those Related Party Options; and
- (i) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 6 to 8.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Related Party Options to the Related Parties as approval is being obtained under ASX Listing Rule 10.14. Accordingly, the issue of Related Party Options to the Related Parties will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

8. RESOLUTION 9 – APPROVAL OF 10% PLACEMENT CAPACITY

8.1 General

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

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

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

As at the date of this Notice, the Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$18,196,083 (based on the number of Shares on issue and the closing price of Shares on the ASX on 12 October 2017).

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

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

As at the date of this Notice, the Company currently has one class of quoted Equity Securities on issue, being the Shares (ASX Code: BMT). The Company currently has 13,929,165 Shares which are subject to escrow restrictions.

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

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

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

Where:

- 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 previous 12 months under an exception in ASX Listing Rule 7.2;
 - (b) plus the number of partly paid shares that became fully paid in the previous 12 months;
 - (c) 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
 - (d) 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.

8.2 Technical information required by ASX Listing Rule 7.1A

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

(a) **Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or

- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in section (i), the date on which the Equity Securities are issued.

(b) **Date of Issue**

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

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

(10% Placement Capacity Period).

(c) **Risk of voting dilution**

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

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

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the market price of Shares and the number of Equity Securities on issue as at 11 October 2017.

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

| Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A2) | Dilution | | | |
|---|-------------------------------------|---------------------------------------|-----------------------|---------------------------------------|
| | Issue Price (per Share) | 0.1675 50% decrease in Issue Price | 0.3350 Issue Price | 0.5025 50% increase in Issue Price |
| 54,316,666 (Current Variable A) | Shares issued - 10% voting dilution | 5,431,666 Shares | 5,431,666 Shares | 5,431,666 Shares |
| | Funds raised | \$909,804.06 | \$1,819,608.11 | \$2,729,412.16 |
| 81,474,999 (50% increase in Variable A) | Shares issued - 10% voting dilution | 8,147,499 Shares | 8,147,499 Shares | 8,147,499 Shares |
| | Funds raised | \$1,364,706.08 | \$2,729,412.16 | \$4,094,118.25 |
| 108,633,332 (100% increase in Variable A) | Shares issued - 10% voting dilution | 10,863,333 Shares | 10,863,333 Shares | 10,863,333 Shares |
| | Funds raised | \$1,819,608.28 | \$3,639,216.55 | \$5,458,824.83 |

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

The table above uses the following assumptions:

1. There are currently 54,316,666 Shares on issue as at the date of this Notice of Meeting (which includes Shares subject to escrow provisions).
2. The issue price set out above is the closing price of the Shares on the ASX on 12 October 2017.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and

- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

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

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

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

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

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

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

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

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

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

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

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

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

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

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

8.3 Voting Exclusion

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

GLOSSARY

\$ means Australian dollars.

10% Placement Capacity has the meaning given in Section 8.2(b).

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

ASIC means the Australian Securities & Investments Commission.

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

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

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

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

Company means Berkut Minerals Limited (ACN 610 855 064).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

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

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

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

Explanatory Statement means the explanatory statement accompanying the Notice.

JORC Code means applicable edition of The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Mineral Resource has the meaning as per the JORC Code.

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

Option means an option to acquire a Share with the terms and conditions set out in Schedule 1.

Optionholder means a holder of an Option or related Party Options as the context requires.

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

Plan or **Employee Option Plan** means the Company Employee Option Plan adopted prior to listing on ASX and summarised in the Company's initial public offer prospectus dated 22 July 2016.

Proxy Form means the proxy form accompanying the Notice.

Related Party Option means an Option granted pursuant to Resolution 6, 7 or 8 with the terms and conditions set out in Schedule 1.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2017.

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

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

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

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

SCHEDULE 1 – TERMS AND CONDITIONS OF RELATED PARTY OPTIONS

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (k), the amount payable upon exercise of each Option will be \$0.001 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 36 months from the date of grant (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

Subject to (g), the Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**) subject to the satisfaction of the Vesting Conditions.

(e) **Vesting Conditions**

The Options will vest subject to satisfaction of the following conditions:

- (i) 50% of the Options issued to each Related Party will vest upon the Company reaching a market capitalisation exceeding A\$30,000,000 for 30 concurrent days (which represents an approximate 100% increase in the Company's current market capitalisation); and
- (ii) 50% of the Options issued to each Related Party will vest upon the Company announcing a Mineral Resource reported in accordance with the JORC Code (or an increase in a Mineral Resource reported in accordance with the JORC Code for any projects acquired by the Company with an existing Mineral Resource reported in accordance with the JORC Code) with an aggregate in-ground value of more than A\$250,000,000,

(Vesting Conditions).

Subject to the Board's discretion, if the Related Party ceases to be engaged or employed by the Company prior to the satisfaction of the Vesting Conditions, the Related Party Options that have not vested will be forfeited, unless otherwise agreed by the parties.

(f) **Notice of Exercise**

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

(g) **Exercise Date**

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

(h) **Change in Control**

Notwithstanding the Vesting Conditions, all Related Party Options will vest immediately upon a Change of Control Event.

A **Change of Control Event** means either:

- (a) a change of control of the Company within the meaning of section 50AA of the Corporations Act;
- (b) when a court sanctions a compromise or arrangement for the purposes of or in connection with a scheme for the amalgamation of the Company with any other company or companies under Part 5.1 of the Corporations Act; or
- (c) when the Company passes a resolution for voluntary winding up or if an order is made for the compulsory winding up of the Company.

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

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

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

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

(j) **Shares issued on exercise**

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

(k) **Reconstruction of capital**

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

(l) **Participation in new issues**

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

(m) **Change in exercise price**

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

(n) **Transferability**

The Options are not transferrable.

SCHEDULE 2 – VALUATION OF RELATED PARTY OPTIONS

The Related Party Options to be issued to the Related Parties pursuant to Resolutions 6, 7 and 8 have been valued by internal management.

Using the Black and Scholes option pricing model and based on the assumptions set out below, the Related Party Options were ascribed the following value:

| | |
|---|------------------|
| Assumptions: | |
| | |
| Valuation date | 12 October 2017 |
| Market price of shares | \$0.335 |
| Exercise price | \$0.001 |
| Expiry date (length of time from issue) | 36 months |
| Risk free interest rate | 1.00% |
| Volatility | 100% |
| | |
| Indicative Value of Related Party Option | \$0.334 |
| | |
| Total Value of Related Party Options | \$668,064 |
| - Justin Tremain | \$167,016 |
| - Neil Inwood | \$334,032 |
| - Paul Payne | \$167,016 |