

**Los Cerros Limited
ACN 119 759 349**

Notice of Annual General Meeting

The Annual General Meeting of the Company will be held at Suite 12, Level 1, 11 Ventnor Avenue, West Perth WA 6005 on 23 June 2020 at 1:00pm (WST) or as otherwise specified.

The Notice of Annual General Meeting and Explanatory Memorandum should be read in their entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their accountant, solicitor or other professional advisor prior to voting.

Should you wish to discuss any matter, please do not hesitate to contact the Joint Company Secretary, Julia Beckett, by telephone on 0402 086 288

Important Notice – Accessing the Company’s 2019 Annual Report

The Company’s 2019 Annual Report is now available on the Company’s website at [Los Cerros Audited Financial Statements 31 December 2019](#)

You will only receive a printed copy of the Annual Report if you have elected to continue receiving shareholder communications in hard copy.

If you have not elected to continue to receive a printed copy of the Company’s Annual Report but now (or sometime in the future) wish to do so, please contact the Company’s share registry, Link Market Services Limited, to change your shareholder communication preferences.

Shareholders are urged to vote by lodging the proxy form attached to the Notice

Los Cerros Limited
ACN 119 759 349
(Company)

Notice of Annual General Meeting

Notice is hereby given that the annual general meeting of Shareholders of Los Cerros Limited ('**Los Cerros**' or the '**Company**') will be held at the offices of the Company at Suite 12, Level 1, 11 Ventnor Avenue, West Perth WA 6005, on 23 June 2020 at 1:00pm (WST) (**Meeting**).

In holding the meeting later than 31 May 2020, the Company is relying on the Australian Securities and Investments Commission's (**ASIC**) public "no-action" position advice that was recently published, under which ASIC advised that it will take no action if a company postpones its AGM (which is usually required to be held by 31 May 2020) by up to two months to no later than 31 July 2020.

The Board is closely monitoring the rapidly changing coronavirus (COVID-19) pandemic. The health of the Company's Shareholders, employees and other stakeholders is of paramount importance.

The Board recognises that the current pandemic and associated social distancing measures (including travel restrictions and bans on gatherings of certain sizes) may make holding the Meeting in one venue impractical and contrary to Government guidance.

While the Board would like to host all Shareholders in person, there is a risk that legislation or Government directives may prevent the Meeting from being convened in person, or restrict the manner in which the Meeting may be convened. In the event that in the lead up to the Meeting it appears likely that the restrictions on indoor gatherings are ongoing, the Company will provide an update at least 10 business days before the Meeting, on the manner on which it will convene the meeting. The Board encourages Shareholders to monitor the ASX and the Company's website for any updates in relation to the Meeting that may need to be provided.

Article 12.7 of the Company's Constitution permits a meeting of members to be held in 2 or more places linked together by technology. The Company is currently considering options, including conducting the meeting using Zoom video conferencing or other digital meeting service providers and will advise Shareholders at least 10 business days prior to the Meeting of any contingency plans.

If you are unable to attend the Meeting to vote in person or may have difficulties accessing the potential video or teleconference, the Board encourages you to complete the enclosed Proxy Form and return it by mail or fax in accordance with the instructions provided as soon as possible. Alternatively, you can lodge your votes online via the share registry's website at www.linkmarketservices.com.au.

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

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 21 June 2020 at 1:00pm (WST).

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

Agenda

Ordinary Business

Annual Accounts and Reports

To receive and consider the Directors' Report, Financial and Auditors Report of Los Cerros for the year ended 31 December 2019.

Resolution 1 – Remuneration Report (non-binding resolution)

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

'That, the Remuneration Report set out in the Directors' Report of the Company for the financial year ended 31 December 2019 be adopted.'

Voting Prohibition

In accordance with sections 250BD and 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member.

A vote may be cast by such person if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person 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 does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chair to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

Resolution 2 – Re-election of Ross Ashton as a Director

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

'That, Ross Ashton, being a director of the Company who was appointed on 16 August 2019 under rule 15.6(a) of the Company's Constitution and who retires under rule 15.6(b) of the Company's Constitution and, being eligible, is elected as a director of the Company.'

Resolution 3 – Approval of 10% Placement Facility

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

'That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities of up to 10% of the issued capital of the Company, 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 any persons who are expected to participate in, or who will obtain a material benefit as a result of, an issue under the 10% placement capacity (except a benefit solely by reason of being a holder of Shares) or any associate of those persons.

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 4 – Approval of issue of Additional Placement Options to Director Ross Ashton

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 10.11 and for all other purposes, Shareholders approve the issue of up to 937,500 Additional Placement Options to Director Ross Ashton (or his nominee), 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 Ross Ashton (or his nominee), or a person who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder) or an associate of those persons.

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way;
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the direction given to the Chair to vote on the resolution as the Chair decides; or

- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 5 – Approval of issue of Additional Placement Options to Director Kevin Wilson

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 10.11 and for all other purposes, Shareholders approve the issue of up to 625,000 Additional Placement Options to Director Kevin Wilson (or his nominee) 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 Kevin Wilson (or his nominee), or a person who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder) or an associate of those persons.

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way;
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the direction given to the Chair to vote on the resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 6 – Ratification of issue of Additional Placement Options

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 7.4 and for all other purposes, Shareholders ratify the prior issue of up to 21,937,500 Additional Placement Options 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 prior issue of the Additional Placement Options, or an associate of those persons.

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way;
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the direction given to the Chair to vote on the resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 7 – Ratification of issue of Additional SPP Options

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 7.4 and for all other purposes, Shareholders ratify the prior issue of up to 4,175,000 Additional SPP Options 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 prior issue of the Additional SPP Options, or an associate of those persons.

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way;
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the direction given to the Chair to vote on the resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 8 – Approval of issue of Additional SPP Options to Director Jason Stirbinskis

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 10.11 and for all other purposes, Shareholders approve the issue of up to 225,000 Additional SPP Options to Director Jason Stirbinskis (or his nominee) 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 Jason Stirbinskis (or his nominee) or a person who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder) or an associate of those persons.

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way;
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the direction given to the Chair to vote on the resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and

- (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 9(a) and (b) – Approval of issue of Securities to AngloGold

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

'That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to:

(a) 10,476,597 Shares; and

(b) 15,430,648 Options,

to AngloGold (or its nominee) on the terms and conditions in the Explanatory Memorandum.'

Voting Exclusion

The Company will disregard any votes cast in favour of these Resolutions by or on behalf of AngloGold (or its nominee) or a person who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder) or an associate of those persons.

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way;
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the direction given to the Chair to vote on the resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 10– Replacement of Constitution

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

"That, pursuant to and in accordance with section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt a new constitution in its place in the form of the document tabled at the Meeting and signed by the Chair for the purposes of identification, with effect from the close of the Meeting."

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'Beckett', written in a cursive style.

Julia Beckett
Joint Company Secretary
Los Cerros Limited
Dated: 8 May 2020

Los Cerros Limited
ACN 119 759 349
(Company)

Explanatory Memorandum

1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the offices of the Company at Suite 12, Level 1, 11 Ventnor Avenue, West Perth WA 6005 on 23 June 2020 at 1:00pm (WST).

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 1	Introduction
Section 2	Action to be taken by Shareholders
Section 3	Annual Report
Section 4	Resolution 1 - Remuneration Report
Section 5	Resolution 2 – – Re-election of Ross Ashton as a Director
Section 6	Resolution 3 – Approval of 10% Placement Facility
Section 7	Resolution 4 – Approval of issue of Additional Placement Options to Director Ross Ashton
Section 8	Resolution 5 – Approval of issue of Additional Placement Options to Director Kevin Wilson
Section 9	Resolution 6 – Ratification of issue of Additional Placement Options
Section 10	Resolution 7 – Ratification of issue of Additional SPP Options
Section 11	Resolution 8– Approval of issue of Additional SPP Options to Director Jason Stirbinskis
Section 12	Resolutions 9(a) and (b) – Approval of issue of Securities to AngloGold
Section 11	Resolution 10– Replacement of Constitution
Schedule 1	Definitions
Schedule 2	Securities issued in the previous 12 months

Schedule 3	Terms of Additional Placement Options and Additional SPP Options
Schedule 4	Terms of AngloGold Options

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

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

2.1 Voting in person

To vote in person, attend the Meeting on the date and at the place set out above, subject to further notice from the Company.

The Board is closely monitoring the rapidly changing coronavirus (COVID-19) pandemic. The health of the Company's Shareholders, employees and other stakeholders is of paramount importance.

The Board recognises that the current pandemic and associated social distancing measures (including travel restrictions and bans on gatherings of certain sizes) has made holding the Meeting in one venue impractical and contrary to Government guidance.

While the Board would like to host all Shareholders in person, there is a risk that legislation or Government directives may prevent the Meeting from being convened in person, or restrict the manner in which the Meeting may be convened. In the event that in the lead up to the Meeting it appears likely that the restrictions on indoor gatherings are ongoing, the Company will provide an update at least 10 business days before the Meeting, on the manner on which it will convene the meeting. The Board encourages Shareholders to monitor the ASX and the Company's website for any updates in relation to the Meeting that may need to be provided.

Article 12.7 of the Company's Constitution permits a meeting of members to be held in 2 or more places linked together by technology. The Company is currently considering options, including conducting the meeting using Zoom Video conferencing online or other digital meeting service providers and will advise Shareholders on or before at least 10 business days prior to the Meeting of any contingency plans.

If you are unable to attend the Meeting to vote in person or may have difficulties accessing the potential video or teleconference, the Board encourages you to complete the enclosed Proxy Form and return it by mail or fax in accordance with the instructions provided as soon as possible. Alternatively, you can lodge your votes online via the share registry's website at www.linkmarketservices.com.au.

2.2 Proxies

(a) Voting by proxy

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. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (i) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (ii) a proxy need not be a member of the Company; and
- (iii) 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.

(b) Proxy vote if appointment specifies way to vote

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

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

- (b) Transfer of non-chair proxy to chair in certain circumstances

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

- (i) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members;
- (ii) the appointed proxy is not the chair of the meeting;
- (iii) at the meeting, a poll is duly demanded on the resolution; and
- (iv) either the proxy is not recorded as attending the meeting or the proxy does not vote on the resolution,

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

(c) Voting Prohibition by Proxy Holders (Remuneration of Key Management Personnel)

In accordance with sections 250BD and 250R of the Corporations Act, votes on Resolution 1 must not be cast (in any capacity) by, or on behalf of:

- (a) a member of the Key Management Personnel; or
- (b) a Closely Related Party of such member.

However, a person described above may cast votes on Resolution 1 if the vote is not cast on behalf of a person who is excluded from voting on the relevant Resolution and:

- (c) the person is appointed as proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (d) the person is the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the resolution, but expressly authorises the Chair to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

2.3 **Chair's voting intentions**

The Chair intends to exercise all available proxies in favour of all Resolutions unless the Shareholder has expressly indicated a different voting intention.

If the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1 by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention, even though the Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

2.4 **Remote attendance via teleconference**

If the Company determines that it is necessary for the Meeting to be accessible to all Shareholders via a teleconference, it will provide an update no later than 10 business days before the Meeting.

In such circumstances, the Company will provide the Shareholders who wish to participate in the Meeting remotely with the required details to join the teleconference, which will allow the Shareholders to listen and observe the Meeting.

Shareholders should note that the teleconference (if used) will not provide for a voting mechanism during the Meeting.

3. **Annual Report**

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 31 December 2019.

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

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at <https://www.losceros.com.au/site/news/Annual-Reports-Archive>

- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

4. Resolution 1 – Remuneration Report

4.1 Consider Accounts and Reports

The Remuneration Report for the financial year ended 31 December 2019 is set out in the Company's 2019 Annual Report. By way of summary, the Remuneration Report sets out the Company's remuneration policies and sets out remuneration details for each Director and other Key Management Personnel of the Company.

Shareholders attending the Meeting will be given a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

Under the Corporations Act, a listed entity is required to put to the vote a resolution that the Remuneration Report be adopted. The vote on this resolution is advisory only and does not bind the Directors or the Company. However, if at least 25% of the votes cast on Resolution 1 are cast against the adoption of the Remuneration Report at two consecutive annual general meetings, then a 'board spill resolution' must be put to the Shareholders proposing the calling of a Shareholder meeting to consider the appointment of Directors.

If a board spill resolution is passed by the Shareholders, the Company is required to hold a further meeting of Shareholders within 90 days to consider replacing those Directors (other than the Executive Chairman of the Company) in office at the time the Remuneration Report was approved by the Board.

Less than 25% of votes cast at the last Annual General Meeting of the Company were cast against the resolution to adopt the Remuneration Report for the year ended 31 December 2018.

Resolution 1 is an ordinary resolution.

5. Resolution 2 – Re-election of Ross Ashton as a Director

5.1 General

Pursuant to clause 15.6(a) of the Constitution, the directors may at any time appoint a person to be a director, either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed holds office only until the following general meeting and is then eligible for re-election in accordance with clause 15.6(b) of the Constitution. Listing Rule 14.4 also states that director appointed to fill a casual vacancy or as an addition to the board must not hold office (without re-election) past the next annual general meeting of the Company.

Mr Ashton was appointed to the Board on 16 August 2019 as part of Los Cerros merger with Andes Resources where he also held the role of Chairman.

If elected, the Board considers Mr Ashton to be a non-independent director.

Resolution 2 is an ordinary resolution.

The Board, other than Mr Ashton, recommends that Shareholders vote in favour of Resolution 2 for the following reasons:

- (a) Mr Ashton has a wealth of experience and expertise that is valuable to the Company; and
- (b) All Directors (excluding Mr Ashton) consider it is in the best interests of the Company.

5.2 **Bio of Mr Ashton**

Mr Ashton was appointed to the Board on 16 August 2019 as part of Los Cerros merger with Andes Resources where he also held the role of Chairman. Mr Ashton has over 45 years' experience as a geologist specialising in mineral exploration and resource development internationally. He was founder of Red Back Mining Limited, a company subsequently acquired by Kinross Gold Corporation for US\$7.2 billion in 2010. He was also a director of TSX/ASX listed PMI Gold Ltd and ASX listed Brockman Resources Ltd. Both companies were involved in corporate transactions following the discovery of significant mineral resources.

6. **Resolution 3 – Approval of 10% Placement Facility**

6.1 **General**

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. Based on the ASX closing price on 29 April 2020 (\$0.037 per Share) the Company has a market capitalisation of approximately \$8.6 million. The Company is an eligible entity.

The Company is now seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility. The number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 6.2(c) below).

The Board unanimously recommends that Shareholders vote in favour of Resolution 3.

Resolution 3 is a special resolution and therefore requires 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).

6.2 **Listing Rule 7.1A**

(a) **Shareholder approval**

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an annual general meeting.

(b) **Equity Securities**

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

The Company, as at the date of the Notice, has on issue one quoted class of Equity Securities; Shares.

(c) **Formula for calculating 10% Placement Facility**

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

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

A is the number of fully paid ordinary securities on issue at the commencement of the relevant period,

- plus the number of fully paid ordinary securities issued in the relevant period under an exemption in rule 7.2 other than exception 9, 16 or 17,
- plus the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within rule 7.2 exception 9 where:
 - the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - the issue of, or agreement of issue, the convertible securities was approved, or taken under these rules to have been approved, under rule 7.1 or rule 7.4,
- plus the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within rule 7.2 exception 16 where:
 - the agreement was entered into before the commencement of the relevant period; or
 - the agreement or issue was approved, or taken under these rules to have been approved, under rule 7.1 or rule 7.4,
- plus the number of any other fully paid ordinary securities issued in the relevant period with approval under rule 7.1 or rule 7.4,
- plus the number of partly paid ordinary securities that became fully paid in the relevant period,
- less the number of fully paid ordinary securities cancelled in the relevant period;

B is 10%.

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

(d) **Listing Rule 7.1 and Listing Rule 7.1A**

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities

in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 6.2(c)).

(e) **Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A.2 must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 10 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.

(f) **10% Placement Period**

An approval under Listing Rule 7.1A commences on the date of the annual general meeting at which the approval is obtained and expires on the first to occur of the following:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained;
- (ii) the time and date of the entity's next annual general meeting; and
- (iii) the time and date of the approval by holders of the eligible entity's ordinary securities of a transaction under Listing Rule 11.1.2 or rule 11.2.

(10% Placement Period).

6.3 **Listing Rule 7.1A**

The effect of Resolution 3 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

6.4 **Specific information required by Listing Rule 7.3A**

In accordance with Listing Rule 7.3A, information is provided as follows:

(g) **Minimum issue price**

The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities 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 10 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(h) **Risk of economic and voting dilution**

If this Resolution is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below tables (in the case of Options, only if the Options are converted into Shares). There is 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 are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows :

- (iii) the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of the Notice;
- (iv) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. ; and
- (v) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2*		Dilution		
		\$[0.0185] 50% decrease in Issue Price	\$[0.037] Issue Price	\$[0.074] 100% increase in Issue Price
Current Variable A 233,165,213 Shares	10% Voting Dilution	23,316,521 Shares	23,316,521 Shares	23,316,521 Shares
	Funds raised	\$431,356	\$862,711	\$1,725,423
50% increase in current Variable A 349,747,820 Shares	10% Voting Dilution	34,974,782 Shares	34,974,782 Shares	34,974,782 Shares
	Funds raised	\$647,033	\$1,294,067	\$2,588,134
100% increase in current Variable A 466,330,426 Shares	10% Voting Dilution	46,633,043 Shares	46,633,043 Shares	46,633,043 Shares
	Funds raised	\$862,711	\$1,725,423	\$3,450,845

* 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 has been prepared on the following assumptions:

1. The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
2. No convertible Securities (including any issued under the 10% Placement Facility) are exercised or converted into Shares before the date of the issue of the Equity Securities.
3. 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%.
4. The tables do not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
5. The tables show only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
6. The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
7. The issue price is \$0.037 being the closing price of the Shares on ASX on 29 April 2020.
8. Variable A is equal to the number of existing Shares on issue as at the date of this Notice, being 233,165,213, assuming the Company has not issued any Shares in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with Shareholder approval under Listing Rule 7.1 and 7.4.

(i) **Final date for issue**

The Company will only issue the Equity Securities during the 10% Placement Period.

An approval under Listing Rule 7.1A commences on the date of the annual general meeting at which the approval is obtained and expires on the first to occur of the following:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained;
- (ii) the time and date of the entity's next annual general meeting; and
- (iii) the time and date of the approval by holders of the eligible entity's ordinary securities of a transaction under Listing Rule 11.1.2 or rule 11.2.

(j) **Purposes of issues under 10% Placement Facility**

The Company may seek to issue the Equity Securities for cash consideration, in which case the Company intends to use funds raised for the acquisition of new assets or investments (including expenses associated with such acquisition), continued exploration and scoping and feasibility study expenditure on the Company's current assets and/or general working capital.:

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

(k) **Allocation policy**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of the Notice but may include existing substantial Shareholders and/or new Shareholders who are not a related party or an associate of a related party of the Company.

Further, if the Company is successful in acquiring new projects, assets or investments, it is possible that the allottees under the 10% Placement Facility will be the vendors of the new projects, assets or investments.

(l) **Issues in the past 12 months**

The Company has previously obtained Shareholder approval under Listing Rule 7.1A at its annual general meeting held on 17 May 2019. However, the additional placement capacity ceased to be available following the approval of a resolution pursuant to Listing Rule 11.1.2 at the Extraordinary General Meeting held on 15 July 2019.

In the 12 months preceding the date of the Meeting and as at the date of this Notice, the Company has issued 325,226,561 Equity Securities. This represents 711% of the total number of Equity Securities on issue at the commencement of that 12 month period.

Details of each issue of Equity Securities by the Company during the 12 months preceding the date of the Meeting are set out in Schedule 2.

(m) **Voting exclusion statement**

A voting exclusion statement is included in the Notice.

At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

7. **Resolution 4 – Approval of issue of Additional Placement Options to Director Ross Ashton**

7.1 **General**

On 5 February 2020, the Company announced that it had received binding commitments for a placement to raise a total of \$2,100,000 (before costs) (**Placement**) by the issue of a total of 52,500,000 Shares at \$0.04 each (**Placement Shares**) to sophisticated and professional investors (**Placement Participants**). It was noted that the subject to shareholder approval (which was subsequently received on 30 March 2020) the Directors would also subscribe for up to 3,125,000 to raise up to \$125,000 under the Placement.

Funds raised under the Placement are to be used developing the Company's Quinchia project and general working capital.

Hartleys Limited acted as lead manager to the Placement.

The Placement comprised of two tranches as follows:

- (a) on 13 February 2020, the Company issued 14,814,860 Placement Shares and on 18 February 2020, the Company issued a further 10,125,000 Placement Shares, totalling 24,939,860 Placement Shares, to the Placement Participants using the Company's placement capacity under Listing Rule 7.1 (**Tranche 1 Placement Shares**); and
- (b) on 6 April 2020, the Company issued 18,935,140 Placement Shares under part one of the second tranche to Placement Participants with the remaining 9,250,000 Placement Shares to be issued on 5 June 2020 to the Placement Participants (**Tranche 2 Placement Shares**). Tranche 2 Placement Shares were approved by Shareholders at the General Meeting held on 30 March 2020.

The Placement Participants also received one free attaching option for every two shares subscribed in the Placement (**Placement Options**). On 30 March 2020 shareholders approved the issue of the free attaching options and were subsequently issued on 6 April 2020. The free attaching options have an exercise price of \$0.10 per option and expire on 6 April 2022.

On 3 April 2020, the Company announced a Company Update and COVID-19 Response to the Market. In this announcement, the Company acknowledged of the rapid and unexpected deterioration in global equity markets, due largely to the COVID-19 pandemic, and the resultant negative impact this has had on the Company's share price. To assist in the completion of the second tranche placement the Board resolved to issue an additional unquoted option to all Placement participants for every two shares subscribed in the Placement (**Additional Placement Options**). The issue of up to 26,562,500 Additional Placement Options have an exercise price of \$0.02 each and expiry date of two years from the date of issue.

Pursuant to Resolution 4, the Company is seeking Shareholder approval pursuant to Listing Rule 10.11 for the issue of up to 937,500 Additional Placement Options, to Director Mr Ross Ashton (or his nominee) arising from his participation in the Placement.

Resolution 4 is an ordinary resolution.

The Board (other than Mr Ross Ashton, who has a material personal interest in the outcome of the Resolutions) recommends that Shareholders vote in favour of Resolution 4.

7.2 Listing Rule 10.11

In accordance with Listing Rule 10.11, the Company must not issue securities to a related party of the Company unless it obtains Shareholder approval. Mr Ashton is a related party of the Company by virtue of his position as Director. As his participation in the Placement involves the issue of Securities to a related party of the Company, Shareholder approval pursuant to Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in Listing Rule 10.12 do not apply in the current circumstances.

Approval pursuant to Listing Rule 7.1 is not required as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of Additional Placement Options to Mr Ashton (or his nominee) will not be included in the use of the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

Resolution 4 seeks the required Shareholder approval to the issue of up to 937,500 Additional Placement Options to Mr Ross Ashton (or his nominee) under and for the purposes of Listing Rule 10.11.

If Resolution 4 is passed, the Company will be able to proceed with the issue of the Additional Placement Options to Mr Ashton and will issue the Securities to Mr Ashton no later than one month after the date of the Meeting.

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of the Additional Placement Options to Mr Ashton until such time as further Shareholder approval is obtained.

7.3 **Specific information required by Listing Rule 10.13**

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the proposed issue of Securities to Mr Ashton arising from his participation in the Placement:

- (a) up to a maximum of 937,500 Additional Placement Options will be issued to Mr Ross Ashton (or his nominees) pursuant to Resolution 4;
- (b) Mr Ross Ashton is a director of the Company and as such falls within the category stipulated under Listing Rule 10.11.1;
- (c) the Additional Placement Options will be exercisable at \$0.02 each on or before the date that is two years from the date of issue and will otherwise be on the terms and conditions set out in Schedule 2;
- (d) the Additional Placement Options will be issued for nil cash consideration as free-attaching Options on the basis of one Additional Placement Option for every two Placement Shares subscribed for under the Placement, and as such no funds will be raised from their issue;
- (e) the Additional Placement Options will be issued to Mr Ashton (or his nominee) no later than one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules);
- (f) the Additional Placement Options are not being issued under an agreement;
- (g) the Additional Placement Options are not being issued to remunerate or incentivise Mr Ross Ashton;

- (h) a voting exclusion statement is included in the Notice.

7.4 **Chapter 2E of the Corporations Act**

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 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 issue of the Additional Placement Options to Mr Ashton constitutes giving a financial benefit and Mr Ashton is a related party of the Company by virtue of being a Director.

The Board considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Additional Placement Options to Mr Ashton because the Securities will be issued to Mr Ashton on the same terms as Securities issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms (the exception in section 210 of the Corporations Act applies).

8. **Resolution 5 – Approval of issue of Additional Placement Options to Director Kevin Wilson**

8.1 **General**

A summary of the Placement is set out in Section 6.1.

Pursuant to Resolution 4, the Company is seeking Shareholder approval pursuant to Listing Rule 10.11 for the issue of up to 625,000 Additional Placement Options, to Director Mr Kevin Wilson (or his nominee) arising from his participation in the Placement.

Resolution 5 is an ordinary resolution.

The Board (other than Mr Kevin Wilson, who has a material personal interest in the outcome of the Resolutions) recommends that Shareholders vote in favour of Resolution 5.

8.2 **Listing Rule 10.11**

A summary of Listing Rule 10.11 is set out in Section 7.2.

Resolution 5 seeks the required Shareholder approval to the issue of up to 625,000 Additional Placement Options to Mr Kevin Wilson (or his nominee) under and for the purposes of Listing Rule 10.11.

Mr Wilson is a related party of the Company by virtue of his position as Director. As his participation in the Placement involves the issue of Securities to a related party of the Company, Shareholder approval pursuant to Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in Listing Rule 10.12 do not apply in the current circumstances.

Approval pursuant to Listing Rule 7.1 is not required as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of Additional Placement Options to Mr Wilson (or his nominee) will not be included in the use of the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

If Resolution 5 is passed, the Company will be able to proceed with the issue of the Additional Placement Options to Mr Wilson and will issue the Securities to Mr Wilson no later than one month after the date of the Meeting.

If Resolution 5 is not passed, the Company will not be able to proceed with the issue of the Additional Placement Options to Mr Wilson until such time as further Shareholder approval is obtained.

8.3 **Specific information required by Listing Rule 10.13**

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the proposed issue of Additional Placement to Mr Wilson arising from his participation in the Placement:

- (a) up to 625,000 Additional Placement Options will be issued to Mr Kevin Wilson (or his nominees) pursuant to Resolution 5;
- (b) Mr Kevin Wilson is a director of the Company and as such falls within the category stipulated under Listing Rule 10.11.1;
- (c) the Additional Placement Options will be exercisable at \$0.02 each on or before the date that is two years from the date of issue and will otherwise be on the terms and conditions set out in Schedule 2;
- (d) the Additional Placement Options will be issued for nil cash consideration as free-attaching Options on the basis of one Additional Placement Option for every two Placement Shares subscribed for under the Placement, and as such no funds will be raised from their issue;
- (e) the Additional Placement Options will be issued to Mr Wilson (or his nominee) no later than one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules);
- (f) the Additional Placement Options are not being issued under an agreement;
- (g) the Additional Placement Options are not being issued to remunerate or incentivise Mr Wilson; and
- (h) a voting exclusion statement is included in the Notice.

8.4 **Chapter 2E of the Corporations Act**

A summary of Chapter 2E of the Constitution is set out above in Section 7.4.

The issue of the Additional Placement Options to Mr Wilson constitutes giving a financial benefit and Mr Wilson is a related party of the Company by virtue of being a Director.

The Board considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Additional Placement Options to Mr Wilson because the Securities will be issued to Mr Wilson on the same terms as Securities issued to

non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms (the exception in section 210 of the Corporations Act).

9. Resolution 6 – Ratification of issue of Additional Placement Options

9.1 General

As detailed in Section 7.1 above, on 3 April 2020 the Company announced a Company Update and COVID-19 Response to the Market. In this announcement, the Company acknowledged the rapid and unexpected deterioration in global equity markets, due largely to the COVID-19 pandemic, and the resultant negative impact this has had on the Los Cerros share price. To assist in the completion of the second tranche placement the Board resolved to issue Additional Placement Options to all Placement Participants for every two shares subscribed in the Placement.

The Additional Placement Options are expected to be issued prior to the convening of this Meeting.

Resolution 6 seeks Shareholder approval pursuant to Listing Rule 7.4 to ratify the issue of up to a further 21,937,500 Additional Placement Options.

Resolution 6 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 6.

9.2 Listing Rules 7.1 and 7.4

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

Listing Rule 7.4 provides that if the Company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 or Listing Rule 7.1A (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with Shareholder approval for the purpose of Listing Rule 7.1 or Listing Rule 7.1A. The Company confirms that the issue of Additional SPP Options will not breach Listing Rule 7.1.

The effect of passing Resolution 6 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to 15% Placement Capacity set out in Listing Rule 7.1 and the 10% Placement Capacity set out in Listing Rule 7.1A, without the requirement to obtain prior shareholder approval.

Resolution 6 seeks ratification of the issue of 21,937,500 Additional Placement Options under Listing Rule 7.1.

9.3 Specific information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the proposed issue of the Additional Placement Options:

- (a) the Company intends to issue 21,937,500 Additional Placement Options on to the Placement Participants (or their respective nominees) none of whom is considered to be a 'material investor' for the purposes of section 7.4 of

ASX Guidance Note 21, save for the issue of approximately 12,500,000 Additional Placement Options that will be issued to Dr Minlu Fu (or his nominee). Dr Minlu Fu is a controller of Lizeng Pty Ltd, a substantial holder of the Company;

- (b) the Additional Placement Options will be exercisable at \$0.02 each on or before the date that is two years from the date of issue and will otherwise be on the terms and conditions set out in Schedule 2;
- (c) the Additional Placement Options will be issued no later than three months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules);
- (d) the Additional Placement Options will be issued for nil cash consideration to Placement Participants on the basis of one Additional Placement Option for every two Shares subscribed for under the Placement, and as such no funds will be raised from their issue;
- (e) the Additional Placement Options will not be issued under an agreement; and
- (f) a voting exclusion statement is included in the Notice.

10. Resolution 7 - Ratification of Additional SPP Options

10.1 General

As announced on 5 February 2020, the Company has undertaken a Share Purchase Plan in conjunction with the Placement to allow existing Shareholders of the Company to participate in the capital raising on the same terms as the Placement (**SPP**).

The SPP offered eligible shareholders an opportunity to purchase Shares at an issue price of \$0.04 per Share (**SPP Shares**), with 1 unquoted Option for every 2 SPP Shares issued and on the same terms as the Placement Options (**SPP Options**).

As detailed in Section 7.1 above, on 3 April 2020 the Company announced a Company Update and COVID-19 Response to the Market. In this announcement, the Company acknowledged the rapid and unexpected deterioration in global equity markets, due largely to the COVID-19 pandemic, and the resultant negative impact this has had on the Los Cerros share price. To assist with the completion of the Tranche 2 Placement, the Company resolved to issue Additional Placement Options to the Placement Participants as a sign of gratitude from the Company to investors who committed funds despite the COVID-19 pandemic.

To extend this goodwill to SPP Participants, the Board resolved to issue 1 additional unquoted option for every 2 SPP Shares subscribed for under the SPP on the same terms as the Additional Placement Options (**Additional SPP Options**).

The Additional SPP Options are expected to be issued prior to the convening of this Meeting.

Resolution 7 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of up to a further 4,175,000 Additional SPP Options.

Resolution 7 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 7.

10.2 **Listing Rule 7.1**

A summary of Listing Rule 7.1 and 7.4 is provided above in Section 9.2.

The Company confirms that the issue of Additional SPP Options will not breach Listing Rule 7.1.

The effect of passing Resolution 7 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to 15% Placement Capacity set out in Listing Rule 7.1 and the 10% Placement Capacity set out in Listing Rule 7.1A, without the requirement to obtain prior shareholder approval.

Resolution 6 seeks ratification of the issue of 4,175,000 Additional SPP Options under Listing Rule 7.1.

10.3 **Specific information required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the proposed issue of the Additional SPP Options:

- (a) the Company intends to issue the 4,175,000 Additional SPP Options on or about 19 May 2020 (prior to this meeting) to existing Shareholders who participated in the SPP (or their respective nominees) none of whom is considered to be a 'material investor' for the purposes of section 7.4 of ASX Guidance Note 21;
- (b) the Additional SPP Options will be exercisable at \$0.02 each on or before the date that is two years from the date of issue and will otherwise be on the terms and conditions set out in Schedule 2;
- (c) the Additional SPP Options will be issued no later than three months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules);
- (d) the Additional SPP Options will be issued for nil cash consideration as free-attaching Options on the basis of one SPP Option for every two SPP Shares subscribed for under the SPP, and as such no funds will be raised from their issue;
- (e) the Additional SPP Options will not be issued under an agreement; and
- (f) a voting exclusion statement is included in the Notice.

11. **Resolution 8– Approval of issue of Additional SPP Options to Director Jason Stirbinskis**

11.1 **General**

A summary of the SPP and the issue of the Additional SPP Options is set out in Section 10.1. Mr Jason Stirbinskis participated in the SPP, and was issued 450,000 Shares,

Pursuant to Resolution 8, the Company is seeking Shareholder approval pursuant to Listing Rule 10.11 for the issue of up to 225,000 Additional SPP Options, to Director Mr Jason Stirbinskis (or his nominee) arising from his participation in the SPP.

Resolution 8 is an ordinary resolution.

The Board (other than Mr Jason Stirbinskis, who has a material personal interest in the outcome of the Resolution) recommends that Shareholders vote in favour of Resolution 8.

11.2 **Listing Rule 10.11**

A summary of Listing Rule 10.11 is set out in Section 7.2.

Resolution 8 seeks the required Shareholder approval to the issue of up to 225,000 Additional SPP Options to Mr Jason Stirbinskis (or his nominee) under and for the purposes of Listing Rule 10.11.

Mr Stirbinskis is a related party of the Company by virtue of his position as Director. As his participation in the SPP involves the issue of Securities to a related party of the Company, Shareholder approval pursuant to Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in Listing Rule 10.12 do not apply in the current circumstances.

Approval pursuant to Listing Rule 7.1 is not required as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of Securities to Mr Stirbinskis (or his nominees) will not be included in the use of the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

If Resolution 8 is passed, the Company will be able to proceed with the issue of the Securities to Mr Stirbinskis and will issue the Securities to Mr Stirbinskis no later than one month after the date of the Meeting.

If Resolution 8 is not passed, the Company will not be able to proceed with the issue of the Securities to Mr Stirbinskis until such time as further Shareholder approval is obtained.

11.3 **Specific information required by Listing Rule 10.13**

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the proposed issue of Securities to Mr Stirbinskis arising from his participation in the SPP:

- (a) up to 225,000 Additional SPP Options will be issued to Mr Jason Stirbinskis (or his nominees);
- (b) Mr Jason Stirbinskis is a director of the Company and as such falls within the category stipulated under Listing Rule 10.11.1;
- (c) the Additional SPP Options will be exercisable at \$0.02 each on or before the date that is two years from the date of issue and will otherwise be on the terms and conditions set out in Schedule 2;
- (d) the Additional SPP Options will be issued for nil cash consideration as free-attaching Options on the basis of one Additional SPP Option for every two SPP Shares subscribed for under the SPP, and as such no funds will be raised from their issue;

- (e) the Additional SPP Options will be issued to Mr Stirbinskis (or his nominee) no later than one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules);
- (f) the Additional SPP Options are not intended to remunerate or incentivise Mr Stirbinskis;
- (g) the Additional SPP Options are not being issued to Mr Stirbinskis under an agreement; and
- (h) a voting exclusion statement is included in the Notice.

11.4 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is provided above in Section 7.4.

The issue of the Additional SPP Options to Mr Stirbinskis constitutes giving a financial benefit and Mr Stirbinskis is a related party of the Company by virtue of being a Director.

The Board considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Additional SPP Options to Mr Stirbinskis' because the Additional SPP Options will be issued to Mr Stirbinskis on the same terms as the Additional SPP Options issued to non-related party participants in the SPP and as such the giving of the financial benefit is on arm's length terms (s.210 exception in the Corporations Act).

12. Resolution 9 (a) and (b) – Approval of issue of Securities to AngloGold

12.1 General

On 30 April 2020, the Company announced that it had entered into a binding term sheet with AngloGold Ashanti Colombia S.A. (**AngloGold**). Subject to shareholder approval and entry into a formal sale and purchase agreement, the Company has agreed to issue AngloGold (or its nominees) 10,476,597 Shares (**AngloGold Shares**) and 15,430,648 Options (**AngloGold Options**) in consideration for AngloGold's interests' in the Chuscal joint venture. Subject to completion, the Company will hold 100% of the entire Quinchia Project of which Chuscal is a part.

Resolutions 9(a) and 9(b) seeks the approval of Shareholders pursuant to Listing Rule 7.1 for the issue of the AngloGold Shares and AngloGold Options to AngloGold (or its nominees).

Resolutions 9(a) and 9(b) are ordinary resolutions.

The Board recommends that Shareholders vote in favour of Resolutions 9(a) and 9(b).

12.2 Listing Rules 7.1

A summary of listing rule 7.1 is provided above in section 9.2.

The issue of the AngloGold Shares and AngloGold Options does not fall within any of the exception to Listing Rule 7.1 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

Resolutions 9(a) and 9(b) seeks the required Shareholder approval to the issue of the AngloGold Shares and AngloGold Options under and for the purposes of Listing Rule 7.1.

If Resolutions 9(a) and 9(b) are passed, the Company will be able to proceed with the issue of the AngloGold Shares and AngloGold Options and will issue the AngloGold Shares no later than three months after the date of the Meeting.

If either of Resolutions 9(a) and 9(b) are not passed, the Company will not be able to proceed with the issue of the AngloGold Shares and AngloGold Options until such time as further Shareholder approval is obtained or such issuance can be made pursuant to the Company's existing placement capacity under Listing Rules 7.1 or 7.1A. This will mean that the Company is unable to complete the AngloGold Agreement, will not be able to acquire a 100% ownership interest in Chuscal, and will remain subject to the terms of the Chuscal Joint Venture Agreement (**CJVA**).

12.3 AngloGold Agreement

On 30 April 2020, AngloGold and the Company (and their relevant subsidiaries) entered into a binding term sheet agreement for the exchange of AngloGold's interests in the Chuscal JV Agreement (CJVA) for Shares. The material terms of the AngloGold Agreement are as follows:

- (a) The CJVA is to be terminated along with associated obligations such as minimum spend requirements.
- (b) Consideration:
 - (i) the issue of 10,476,597 Shares; and
 - (ii) the issue of 15,430,648, Options,
to AngloGold.

In addition to usual warranties and conditions, the AngloGold Agreement is conditional upon AngloGold receiving the approval of the South African Reserve Bank on terms acceptable to AngloGold, Shareholder approval (the subject of this Resolution), entry of the parties into a formal sale and purchase agreement and the Company completing due diligence.

12.4 Specific information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the proposed issue of the AngloGold Shares and AngloGold Options:

- (a) the AngloGold Shares and AngloGold Options will be issued to AngloGold pursuant to the Agreement;

- (b) up to 10,476,597 AngloGold Shares and 15,430,648 AngloGold Options will be issued to AngloGold;
- (c) the AngloGold Shares will be fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue;
- (d) The AngloGold Options have an exercise price of \$0.16 and an expiry date of 12 months after the date of issue and are otherwise on the terms and conditions set out in Schedule 4.
- (e) the AngloGold Shares and AngloGold Options will be issued no later than three months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules);
- (f) the AngloGold Shares were issued for nil cash consideration each as consideration under the AngloGold Agreement and therefore nil funds will be raised;
- (g) the AngloGold Shares and AngloGold Options are issued for the purpose of complying with the AngloGold Agreement and are consideration for the Company's acquisition of AngloGold's interests in the CJVA;
- (h) the AngloGold Shares and AngloGold Options will be issued under the terms and conditions of the Agreement described in the ASX announcement dated 30 April 2020. The material terms of this Agreement are summarised above in Section 12.3; and
- (i) a voting exclusion statement is included in the Notice.

13. Resolution 10 – Replacement of Constitution

13.1 General

Under section 136(2) of the Corporations Act, a company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 9 seeks the approval of Shareholders to repeal the Company's existing Constitution and adopt a new constitution (**Proposed Constitution**) which is of the type required for a listed public company limited by shares.

The Proposed Constitution incorporates amendments to the Corporations Act and the Listing Rules since the current Constitution was adopted on 14 September 2018. The Directors believe that it is preferable in the circumstances to replace the existing Constitution with the Proposed Constitution rather than to amend a multitude of specific provisions.

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution. Many of the proposed changes are administrative or minor in nature including but not limited to expressly providing for statutory rights by mirroring these rights in provisions of the Proposed Constitution.

The Directors believe these amendments are not material nor will they have any significant impact on Shareholders. It is not practicable to list all of the changes to the Constitution in detail in this Explanatory Memorandum, however, a summary of the proposed material changes is set out below.

A copy of the Proposed Constitution is available for review by Shareholders at the office of the Company. A copy of the Proposed Constitution can also be sent to Shareholders upon request to the Company Secretary.

Shareholders are invited to contact the Company if they have any queries or concerns.

Resolution 10 is a special resolution and therefore requires 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).

The Board recommends that Shareholders vote in favour of Resolution 9.

13.2 Summary of material proposed changes

(n) **Restricted Securities (article 2.7)**

ASX is proposing to introduce a number of changes to the escrow regime in the Listing Rules in December 2019 to make aspects of the listing process and ongoing compliance with the Listing Rules more efficient for issuers and for ASX.

Amongst these, ASX is proposing to introduce a two-tier escrow regime where ASX can and will require certain more significant holders of Restricted Securities (as defined by the Listing Rules) and their controllers to execute a formal escrow agreement in the form of Appendix 9A, as is currently the case. However, for less significant holdings, ASX will instead permit entities to rely on a provision in their constitution imposing appropriate escrow restrictions on the holder of Restricted Securities and to simply give a notice to the holder of Restricted Securities in the form of a new Appendix 9C advising them of those restrictions.

Under article 2.7 of the Proposed Constitution, holders of Restricted Securities will be taken to have agreed in writing that those Securities are to be kept on the Company's issuer sponsored sub-register and are to have a holding lock applied for the duration of the applicable escrow period. Holders of Restricted Securities will also not be entitled to participate in any return of capital on those Securities during the applicable escrow period, except as permitted by the Listing Rules or ASX.

(o) **Deemed notice to uncontactable Shareholders (article 14.5)**

Article 14.5 provides that a document will be deemed to have been served to a Shareholder if the document is exhibited in the registered office of the Company for 48 hours in the event that:

- (i) a Shareholder does not have an address in the register of Shareholders, and has not nominated an alternative address; or
- (ii) the Company reasonable believes that a Shareholder is not known at the Shareholder's address in the register of Shareholders or any alternative address provided.

(p) **Partial (proportional) takeover provisions (article 4.9 and schedule 5)**

A proportional takeover bid is a takeover bid where the offer made to each shareholder is only for a proportion of that shareholder's shares.

Pursuant to section 648G of the Corporations Act, the Company has included in the Proposed Constitution a provision whereby a proportional takeover bid for Shares may only proceed after the bid has been approved by a meeting of Shareholders held in accordance with the terms set out in the Corporations Act.

This clause of the Proposed Constitution will cease to have effect on the third anniversary of the date of the adoption of last renewal of the clause.

While the original Constitution included a provision regarding proportional takeover bids, this provision would otherwise cease to have effect in 2020.

13.3 Information required by section 648G of the Corporations Act

(q) **Effect of proposed proportional takeover provisions**

Where offers have been made under a proportional off-market bid in respect of a class of securities in a company, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under such a proportional off-market bid is prohibited unless and until a resolution to approve the proportional off-market bid is passed.

(r) **Reasons for proportional takeover provisions**

A proportional takeover bid may result in control of the Company changing without Shareholders having the opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium. These amended provisions allow Shareholders to decide whether a proportional takeover bid is acceptable in principle, and assist in ensuring that any partial bid is appropriately priced.

(s) **Knowledge of any acquisition proposals**

As at the date of this Notice, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

(t) **Potential advantages and disadvantages of proportional takeover provisions**

The Directors consider that the proportional takeover provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the proportional takeover provisions for Shareholders include:

- (i) the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- (ii) assisting in preventing Shareholders from being locked in as a minority;
- (iii) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and
- (iv) each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.

The potential disadvantages of the proportional takeover provisions for Shareholders include:

- (i) proportional takeover bids may be discouraged;

- (ii) lost opportunity to sell a portion of their Shares at a premium; and
- (iii) the likelihood of a proportional takeover bid succeeding may be reduced.

(u) **Recommendation of the Board**

The Directors do not believe the potential disadvantages outweigh the potential advantages of adopting the proportional takeover provisions and as a result consider that the proportional takeover provision in the Proposed Constitution is in the interest of Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 9.

Schedule 1 Definitions

In the Notice, words importing the singular include the plural and vice versa.

10% Placement Facility	has the meaning given in Section 6.1.
\$	means Australian Dollars.
Additional Placement Option	has the meaning given in Section 7.1.
Additional SPP Option	has the meaning given in Section 10.1.
AngloGold	means AngloGold Ashanti Colombia S.A.
AngloGold Agreement	has the meaning given in Section 12.1.
AngloGold Options	means the unquoted Options to be issued to AngloGold on the terms and conditions in Schedule 4.
Anglo Gold Shares	has the meaning given in Section 12.1.
ASX	means the ASX Limited (ABN 98 008 624 691) 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.
Chair	means the person appointed to chair the Meeting of the Company convened by the Notice.
Company	means Los Cerros Limited (ACN 119 759 349).
CJVA	means the existing Chuscal Joint Venture Agreement between the Company and AngloGold.
Constitution	means the constitution of the Company as at the date of the Meeting.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Director	means a director of the Company.
Equity Security	has the same meaning as in the Listing Rules.
Explanatory Memorandum	means the explanatory memorandum which forms part of the Notice.
Key Management Personnel	has the meaning given to that term in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise)

Listing Rules	means the listing rules of ASX.
Meeting	has the meaning given in the introductory paragraph of the Notice.
Notice	means this notice of annual general meeting.
Option	means an option to acquire a Share.
Placement Options	has the meaning given in Section 7.1.
Placement Participants	means the participants in the Placement, being sophisticated and professional investors introduced to the Company by Hartleys Limited.
Proxy Form	means the proxy form attached to the Notice.
Resolution	means a resolution referred to in the Notice.
Schedule	means a schedule to the Notice.
Section	means a section of the Explanatory Memorandum.
Securities	means any Equity Securities of the Company.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means the holder of a Share.
SPP	has the meaning given in Section 10.1.
SPP Options	has the meaning given in Section 10.1.
SPP Participants	means persons who subscribed for SPP Shares.
SPP Shares	has the meaning given in Section 10.1.
Strike	means a 'no' vote of 25% or more on the resolution approving the Remuneration Report.
Trading Day	has the meaning given in the Listing Rules.
VWAP	Means the volume weighted average price of the shares for the specified period.
WST	means Western Standard Time being the time in Perth, Western Australia.

Schedule 2 Securities issued in the previous 12 months

Details of each issue of Equity Securities by the Company during the 12 months preceding the date of the meeting are set out in the table below:

Date of Issue	Number of Securities	Type of Security	Recipient of Security	Issue Price and details of any discount to Market Price ¹ (if applicable)	Consideration, Use of Funds and Current Value ² as at the date of this Notice
PRE-CONSOLIDATION					
15/08/2019	459,000,000 <i>(11,475,000 post consolidation)</i>	Shares	Holders of Convertible Notes (CN)	\$0.002 per share, representing nil premium or discount to the Market Price on the date of issue. ³	\$918,000 (before costs) was raised, all of which was applied to progress the merger with Andes Resource, undertake geophysical and geochemical work to refine drill targeting at the Chuscal Gold Project in Colombia and provide working capital. Current value: \$424,575
15/08/2019	2,595,624,750 <i>(64,890,618 post consolidation)</i>	Shares	Issued to Andes Resources Shareholders	\$0.002 per share, representing nil premium or discount to the Market Price on the date of issue. ³	No funds were raised, shares were issued in consideration for fully paid ordinary shares for Takeover Offer. Current value: \$2,400,953
15/08/2019	181,531,292 <i>(4,538,282 post consolidation)</i>	Shares	Issued to Bullet Holdings Group and Delta Holdings LLC	Nil issue price (nil cash consideration)	No funds were raised, shares were issued in satisfaction of Minimum Participation Rights. Current value: \$167,916

Date of Issue	Number of Securities	Type of Security	Recipient of Security	Issue Price and details of any discount to Market Price ¹ (if applicable)	Consideration, Use of Funds and Current Value ² as at the date of this Notice
15/08/2019	1,166,000,000 <i>(29,150,000 post consolidation)</i>	Shares	Issued to Priority Offer, Placement and Shortfall participants	\$0.002 per share, representing nil premium or discount to the Market Price on the date of issue. ³	\$2,332,000 (before costs) was raised under the Priority Offer, Placement and Shortfall. Funds were applied to the cost of the placement and priority offer, corporate & administration costs, working capital, costs associated with the Takeover Offer, exploration on existing and new projects. Current value: \$1,078,550
15/08/2019	62,500,000 <i>(1,562,500 post consolidation)</i>	Shares	Hartleys Limited	\$0.002 per share, representing nil premium or discount to the Market Price on the date of issue. ³	No funds were raised, shares were issued pursuant to the Advisor Mandate dated 24 February 2019 being fees in respect of the Company's capital raising of 6% of the gross amount subscribed for Shares pursuant to capital raisings undertaken while Hartleys were engaged. Current value: \$57,812
15/08/2019	221,875,000 <i>(5,546,875 post consolidation)</i>	Unquoted Options	Holders of replacement options ⁶	Nil issue price (nil cash consideration)	No funds were raised, issued as replacement options as detailed in the Prospectus dated 19 July 2019.
15/08/2019	26,250,000 <i>(656,250 post consolidation)</i>	Unquoted Options	Holders of unquoted options ⁷	Nil issue price (nil cash consideration)	No funds were raised, issued as replacement options as detailed in the Prospectus dated 19 July 2019.

Date of Issue	Number of Securities	Type of Security	Recipient of Security	Issue Price and details of any discount to Market Price ¹ (if applicable)	Consideration, Use of Funds and Current Value ² as at the date of this Notice
15/08/2019	1,875,000 <i>(46,875 post consolidation)</i>	Unquoted Options	Holders of unquoted options ⁸	Nil issue price (nil cash consideration)	No funds were raised, issued as replacement options as detailed in the Prospectus dated 19 July 2019.
16/08/2019	375,000,000 <i>(9,375,000 post consolidation)</i>	Unquoted Options	Holders of unquoted options ⁹	Nil issue price (nil cash consideration)	No funds were raised, issued as replacement options as detailed in the Prospectus dated 19 July 2019.
16/08/2019	459,000,000 <i>(11,475,000 post consolidation)</i>	Unquoted Options	Holders of unquoted options ¹⁰	Nil issue price (nil cash consideration)	No funds were raised, issued as replacement options as detailed in the Prospectus dated 19 July 2019.
16/8/2019	50,000,000 <i>(1,250,000 post consolidation)</i>	Unquoted Options	Holder of unquoted options ¹⁰	Nil issue price (nil cash consideration)	No funds were raised, issued as consideration for services as detailed in the Prospectus dated 19 July 2019.
03/09/2019	1,000,000,000 <i>(25,000,000 post consolidation)</i>	Shares	RMB Australia Holdings Limited	Nil issue price (nil cash consideration)	In consideration for the RMB Deb Refinancing Agreement. Current value: \$925,000
16/09/2019	6,979,175	Shares	Issued to Andes Resources Shareholders	Nil issue price (nil cash consideration)	Current value: \$6,456

Date of Issue	Number of Securities	Type of Security	Recipient of Security	Issue Price and details of any discount to Market Price ¹ (if applicable)	Consideration, Use of Funds and Current Value ² as at the date of this Notice
	(post consolidation 174,479)				
POST-CONSOLIDATION					
05/12/2019	33,297,879	Quoted Options ¹¹	Shareholders of the Company	Nil issue price (nil cash consideration)	No funds were raised. Eligible shareholders, with a registered address in Australia or New Zealand, were issued one new quoted option for every 5 shares held as detailed in the Bonus Offer Prospectus dated 5 December 2019.
05/12/2019	20,850,001	Quoted Options ¹¹	Optionholders of the Company	Nil issue price (nil cash consideration)	No funds were raised, the existing unquoted options were converted to quoted options.
20/12/2019	6,000,000	Unquoted Options ¹¹	Managing Director	Nil issue price (nil cash consideration)	No funds were raised, the unquoted options were issued as part of remuneration package, as approved by Shareholders at the General Meeting held on 28 November 2019.
20/12/2019	4,000,000	Unquoted Options ¹²	Directors	Nil issue price (nil cash consideration)	No funds were raised, the unquoted options were issued as incentive options, as approved by Shareholders at the General Meeting held on 28 November 2019.

Date of Issue	Number of Securities	Type of Security	Recipient of Security	Issue Price and details of any discount to Market Price¹ (if applicable)	Consideration, Use of Funds and Current Value² as at the date of this Notice
27/12/2019	1,270,250	Shares	Directors	\$0.08 per share	No funds were raised, shares were issued in consideration of fees for services previously provided by past directors, as approved by Shareholders at the General Meeting held on 28 November 2019.
09/01/2020	224,161	Shares	Sandfire Resources NL	\$0.08 per share, representing a premium of 27.5% to the Market Price on the date of issue.	\$17,933 (before costs) was raised, all of which was applied to refine drill targeting at the Chuscal Gold Project in Colombia and provide working capital. Current value: \$8,294
13/02/2020	14,814,860	Shares	Part one of Tranche 1 Placement holders	\$0.04 per share, representing a premium of 7.5% to the Market Price on the date of issue.	\$592,595 (before costs) was raised, all of which was applied to advancing the Quinchia Gold Project and targeting porphyry mineralisation at Tesorito and Chuscal targets. Current value: \$548,150
18/02/2020	10,125,000	Shares	Part two of Tranche 1 Placement holders	\$0.04 per share, representing a premium of 2.5% to the Market Price on the date of issue.	\$405,000 (before costs) was raised, all of which was applied to advancing the Quinchia Gold Project and targeting porphyry mineralisation at Tesorito and Chuscal targets. Current value: \$374,625
05/03/2020	8,800,000	Shares	Share Purchase Plan participants	\$0.04 per share, representing a premium of	\$352,000 (before costs) was raised, all of which was applied to advancing the Quinchia Gold

Date of Issue	Number of Securities	Type of Security	Recipient of Security	Issue Price and details of any discount to Market Price ¹ (if applicable)	Consideration, Use of Funds and Current Value ² as at the date of this Notice
				10% to the Market Price on the date of issue.	Project and targeting porphyry mineralisation at Tesorito and Chuscal targets. Current value: \$325,600
06/04/2020	18,935,140	Shares	Placement Participants	\$0.04 per share, representing a premium of 42.5% to the Market Price on the date of issue.	\$757,406 (before costs) was raised, all of which was applied to advancing the Quinchia Gold Project and targeting porphyry mineralisation at Tesorito and Chuscal targets. Current value: \$700,600
06/04/2020	21,937,500	Unlisted Options ¹³	Tranche 2 Placement Participants	Nil issue price (nil cash consideration)	No funds were raised by the issue of options, the options were free attaching to the Placement.
06/04/2020	4,400,000	Unlisted Options	SPP Participants	Nil issue price (nil cash consideration)	No funds were raised by the issue of options, the options were free attaching to the SPP.
06/04/2020	12,112,500	Shares	Various suppliers	\$0.04 per share, representing a premium of 42.5% to the Market Price on the date of issue.	No funds were raised, shares were issued in lieu of payments to suppliers in consideration for services provided to the Company Current value: \$448,162
06/04/2020	393,391	Shares	Previous directors of Andes Resources Limited	\$0.04 per share, representing a premium of 42.5% to the Market Price on the date of issue.	No funds were raised, shares were issued in consideration of fees for services previously provided as directors and expenses incurred.

Date of Issue	Number of Securities	Type of Security	Recipient of Security	Issue Price and details of any discount to Market Price ¹ (if applicable)	Consideration, Use of Funds and Current Value ² as at the date of this Notice
					Current value: \$14,555
06/04/2020	2,925,000	Quoted Options	Bullet Holdings Group	Nil issue price (nil cash consideration)	No funds were raised. The number of bonus options issued represents the number of Options that BHG would have been entitled to apply for if it had been eligible to participate in the Bonus Option Offer Prospectus dated 5 December 2019. Current value: \$108,225

Notes:

1. "Market Price" means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. In respect of quoted Equity Securities, the current value is based on the closing price of the Shares \$0.037 on ASX on 29 April 2020. The value of unquoted Equity Securities (unquoted Performance Rights) is measured using the Black & Scholes pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Equity Security, the impact of dilution, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk-free interest rate for the term of the Equity Security. No account is taken of any performance conditions included in the terms of the Equity Security other than market-based performance conditions (i.e. conditions linked to the price of Shares).
3. Based on conversion price of \$0.002.
4. Performance Rights convert into full paid shares in two tranches:
 - [Tranche 1 vesting on 30 day VWAP of \$0.004 (pre-consolidation) or higher before 31 December 2019;
 - Tranche 2 vesting on 20 day VWAP of \$0.006 (pre-consolidation) or higher on or before 31 December 2019]
 - Tranche 3 vesting on delivery of at least 1 million ounces at Chuscal before 31 December 2021.
5. Unquoted Replacement Options – Class A exercisable at \$0.008 each (pre-consolidation) on or before 1 July 2023.
6. Unquoted Replacement Options – Class B exercisable at \$0.008 each (pre-consolidation) on or before 31 August 2023.
7. Unquoted Replacement Options – Class C exercisable at \$0.008 each (pre-consolidation) on or before 15 November 2023.

8. Unquoted Replacement Options – Class X exercisable at \$0.004 each (pre-consolidation) on or before 16 August 2021.
9. Unquoted Free Attaching Options exercisable at \$0.004 each (pre-consolidation) on or before 16 August 2021.
10. Quoted Options exercisable at \$0.16 each (post-consolidation) on or before 16 August 2021.
11. Unquoted Incentive Options exercisable at \$0.135 each (post-consolidation) on or before 30 September 2024.
12. Unquoted Director Options exercisable at \$0.135 each (post-consolidation) on or before 30 September 2024.
13. Unquoted Options exercisable at \$0.10 each (post-consolidation) on or before 6 April 2022.

Schedule 3 Terms of Additional Placement Options and Additional SPP Options

The terms of the Additional Placement Options and Additional SPP Options are as follows:

(a) **Entitlement**

Each Option entitles the holder (**Optionholder**) to subscribe for one fully paid ordinary share in the capital of the Company (**Share**) upon exercise of the Option.

(b) **Issue Price**

The Options are free-attaching and have a nil issue price.

(c) **Exercise Price and Expiry Date**

Each Option has an exercise price of \$0.02 and will expire two years after the date of issue (**Expiry Date**).

Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time and from time to time on or prior to the Expiry Date.

(e) **Quotation of the Options**

The Company will not apply for quotation of the Options on ASX.

(f) **Transferability of the Options**

The Options will be transferable with the Board's consent and subject to compliance with the Corporations Act and Listing Rules.

(g) **Notice of Exercise**

The Options may be exercised by notice in writing to the Company in a form reasonably acceptable to the Company (**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.

Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at 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) **Shares Issued on Exercise**

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

(i) **Timing of Issue of Shares**

Within 15 Business Days after the later of the following:

- (i) the Exercise Date; and
- (ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

the Company will:

- (iii) issue the Shares specified in the Notice of Exercise;
- (iv) give ASX a notice that complies with section 708A(5)(e) of the Corporations Act (to the extent required); and
- (v) 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 the Company is unable to deliver a notice under paragraph (d) or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Shares issued on exercise of the Options may not be traded and will be subject to a holding lock until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.

(j) **Change of control**

A change of control occurs where:

- (i) a person or entity becomes a legal or beneficial owner of 50% of more of the issued capital of the Company; or
- (ii) a person or entity becomes entitled to, acquires, holds or has an equitable interest in more than 50% of the issued capital of the Company.

On the occurrence of a Change of Control Event, the Board will determine, in its sole and absolute discretion, how unvested Options will be dealt with.

(k) **Adjustments for Reorganisation**

If there is any reorganisation of the issued share capital of the Company, the rights of the Optionholders will be varied in accordance with the Listing Rules.

(l) **Participation in New Issues**

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

(m) **Adjustment for Bonus Issues of Shares**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu of in satisfaction of dividends or by way of dividend reinvestment):

(i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Optionholder would have received if the Optionholder had exercised the Option before the record date for the bonus issue; and

(ii) no change will be made to the Exercise Price.

(n) **Adjustment for Entitlements Issue**

If the Company makes an issue of Shares pro rata to existing Shareholders (other than as a bonus issue to which paragraph (m) will apply) there will be no adjustment of the Exercise Price of an Option or the number of Shares over which the Options are exercisable.

Schedule 4 Terms of AngloGold Options

The terms of the Additional Placement Options and Additional SPP Options are as follows:

(a) **Entitlement**

Each Option entitle the holder (**Optionholder**) to subscribe for one fully paid ordinary share in the capital of the Company (**Share**) upon exercise of the Option.

(b) **Exercise Price and Expiry Date**

Exercise Price: AUD\$0.16

Expiry Date: 12 Months from the date of issue.

Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(c) **Exercise Period**

The Options are exercisable at any time and from time to time on or prior to the Expiry Date.

(d) **Quotation of the Options**

The Company will not apply for the official quotation of the Options

(e) **Transferability of the Options**

The Options will not be transferable.

(f) **Notice of Exercise**

The Options may be exercised by notice in writing to the Company in a form reasonably acceptable to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercise in Australian currency by cheque or electronic funds transfer.

Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

(g) **Shares issued on Exercise**

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

(h) **Timing of Issue of Shares**

Within 15 Business Days after receipt of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercise, the Company will:

- (i) Issue the Shares pursuant to the exercise of the Options;

- (ii) Give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (iii) Apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If the Company is unable to deliver a notice under paragraph (b) or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company will, in a timely manner, lodge with ASIC a "cleansing 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. Where a "cleansing prospectus" is required, any Shares issued on exercise of Options will be subject to a holding lock until such time as a prospectus is issued by the Company.

(i) **Participation in New Issues**

There is no participation rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.

(j) **Adjustment for Bonus Issues of Shares**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Optionholder would have received if the Optionholder had exercised the Option before the record date for the bonus issue; and
- (ii) No change will be made to the Exercise Price.

(k) **Adjustment for Entitlements Issue**

If the Company makes an issue of Shares pro rata to existing Shareholders (other than as a bonus issue, to which (j) will apply) there will be no adjustment of the Exercise Price of an Option or the number of Shares over which the Option are exercisable.

(l) **Adjustment for Reorganisation**

If there is any reorganisation of the issued share capital of the Company, the rights of the Optionholders will be varied in accordance with the Listing Rules.

SAMPLE PROXY FORM

LODGE YOUR VOTE

	ONLINE www.linkmarketservices.com.au
	BY MAIL Los Cerros 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 Level 12, 680 George Street, Sydney NSW 2000
	ALL ENQUIRIES TO Telephone: 1300 554 474 Overseas: +61 1300 554 474

LODGE MENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by 1:00pm (WST) on 21 June 2020, 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 using the reply paid envelope or:

	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, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).
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HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares 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 shareholder 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 Resolutions are 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 shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on 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 share 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 shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

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 shareholder 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 share registry or online at www.linkmarketservices.com.au.

**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.**

NAME SURNAME
 ADDRESS LINE 1
 ADDRESS LINE 2
 ADDRESS LINE 3
 ADDRESS LINE 4
 ADDRESS LINE 5
 ADDRESS LINE 6



X9999999999

PROXY FORM

I/We being a member(s) of Los Cerros 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 **1:00pm (WST) on 23 June 2020 at Suite 12, Level 1, 11 Ventnor Avenue, West Perth WA 6005** (the Meeting) and at any postponement or adjournment of the Meeting.

Important for Resolutions 1, 4, 5 & 8: 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 Resolutions 1, 4, 5 & 8, even though the Resolutions are 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 .

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9a Approval of issue of Shares to AngloGold	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Ross Ashton as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9b Approval of issue of Options to AngloGold	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Replacement of Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of issue of Placement Options to Director Ross Ashton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
5 Approval of issue of Placement Options to Director Kevin Wilson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
6 Ratification of issue of Additional Placement Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
7 Approval of issue of SPP Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
8 Approval of issue of SPP Options to Director Jason Stirbinskis	<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.

STEP 2

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

STEP 3

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

LCL PRX2001D

