

ASX Announcement

25 October 2019

## Change of name to Los Cerros Limited & Notice of Meeting

- + Metminco to change name to Los Cerros Limited as final step in launch of new exciting chapter following the merger with Andes Resources, change of board and capital restructure.**
  - + Metminco General Meeting (Notice of Meeting attached) includes consideration of the re-branding, conversions of debt to equity and executive incentives for the new Board.**
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Metminco Limited (ASX: MNC) ("Metminco" or "the Company") is pleased to announce its intention to re-brand itself as **Los Cerros Limited** to mark the start of the next exciting chapter of the enterprise and reflect the following substantial positive developments in recent months:

- ✓ **Creation of a leading Colombian gold explorer with dominant positions in two gold districts of the richly endowed Mid Cauca porphyry belt through the merger with Andes Resources;**
- ✓ **Significant refreshment of the Board of Directors, including the appointment of Jason Stirbinskis as Managing Director, the appointment of Ross Ashton as a Non-Executive Director, and retirement of MNC's previous non-executive directors;**
- ✓ **Restructure of the RMB debt by converting \$2.0 million of debt into equity and realigning future payments to project milestones.**
- ✓ **Share consolidation to bring the shares on issue to a more manageable number suitable for a junior explorer; and**
- ✓ **Granting of the Chuscal exploration licences and Metminco's very recent commencement of diamond drilling activities at the Chuscal gold target.**

The Board has proposed the name "**Los Cerros Limited**" on the basis that the change of name marks the reinvigoration of the Company post the recent merger and is considered by the directors to better reflect and acknowledge the focus of the Company's activities in the Andes mountains of Colombia. Los Cerros is Spanish for "The Hills" and Villa De Los Cerros is also an accepted alternate name for the town of Quinchia from which the Company operates and therefore has local relevance.

The change of name will be voted on by shareholders at the 28 November 2019 General Meeting, the Notice of Meeting for which accompanies this announcement.

Director Mr Kevin Wilson has advised the board that he plans to retire as non-executive Chair and remain on the Board as non-executive Director effective from the date of the November General Meeting. The Board has agreed to appoint current Metminco non-executive Director Mr Ross Ashton as non-executive Chair at the same time.

***For further enquiries contact:***

**Jason Stirbinskis**  
**Managing Director**  
Metminco Limited  
[jstirbinskis@metminco.com.au](mailto:jstirbinskis@metminco.com.au)

**FORWARD LOOKING STATEMENTS** This document contains forward looking statements concerning Metminco. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes. Forward looking statements in this document are based on Metminco's beliefs, opinions and estimates of Metminco as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments. Although management believes that the assumptions made by the Company and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. Forward-looking information involves known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others, the actual market price of gold, the actual results of future exploration, changes in project parameters as plans continue to be evaluated, as well as those factors disclosed in the Company's publicly filed documents. Readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws. No representation, warranty or undertaking, express or implied, is given or made by the Company that the occurrence of the events expressed or implied in any forward-looking statements in this presentation will actually occur.

**METMINCO LIMITED  
ACN 119 759 349**

**NOTICE OF GENERAL MEETING**

**The General Meeting of the Company will be held at  
Suite 12, Level 1, 11 Ventnor Avenue, West Perth WA 6005  
on Thursday, 28 November 2019 at 2:00pm (WST).**

*The Notice of General Meeting should be read in its 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 Secretaries by telephone on +61 8 6245 2050*

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

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# METMINCO LIMITED

## ACN 119 759 349

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### NOTICE OF GENERAL MEETING

Notice is hereby given that the general meeting of Shareholders of Metminco Limited (**Company**) will be held at Suite 12, Level 1, 11 Ventnor Avenue, West Perth WA 6005 on Thursday, 28 November 2019 at 2:00pm (WST) (**Meeting**).

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form 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 Tuesday, 26 November 2019 at 5:00pm (WST).

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

### AGENDA

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#### 1. Resolution 1 - Approval of change of Company name

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 157 of the Corporations Act and for all other purposes, approval is given for the name of the Company to be changed to "Los Cerros Limited" with effect from the date that ASIC alters the details of the Company's registration."*

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#### 2. Resolution 2 - Approval to issue Options to 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 6,000,000 Options to Mr Jason Stirbinskis (or his nominees) 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 Mr Jason Stirbinskis (and his nominees), or any of their respective associates.

However, the Company need not disregard a vote if:

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

### **Voting Prohibitions**

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

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

However, the above prohibition does not apply if:

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

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### **3. Resolution 3 - Approval to issue Options to Ross Ashton and Kevin Wilson**

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

*"That, pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of Options to the Directors (or their respective nominees) as follows:*

- (a) *up to 2,000,000 Options to Mr Ross Ashton (or his nominees); and*
- (b) *up to 2,000,000 Options to Mr Kevin Wilson (or his nominees),*

*on the terms and conditions in the Explanatory Memorandum."*

#### **Voting Exclusion**

The Company will disregard any votes cast in favour of:

- (a) Resolution 3(a) by or on behalf of Mr Ross Ashton (and his nominees), or any of their respective associates; and
- (b) Resolution 3(b) by or on behalf of Mr Kevin Wilson (and his nominees), or any of their respective associates.

However, the Company need not disregard a vote if:

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

## Voting Prohibitions

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on these Resolutions if:

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

However, the above prohibition does not apply if:

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

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## 4. Resolution 4 - Approval to issue Shares to Glenister Lamont and Roger Higgins

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

*"That, pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of Shares as follows:*

- (a) *up to 689,625 Shares to Mr Glenister Lamont (or his nominees); and*
- (b) *up to 580,625 Shares to Dr Roger Higgins (or his nominees),*

*on the terms and conditions in the Explanatory Memorandum."*

### Voting Exclusion

The Company will disregard any votes cast in favour of:

- (a) Resolution 4(a) by or on behalf of Mr Glenister Lamont (and his nominees), or any of their respective associates; and
- (b) Resolution 4(b) by or on behalf of Dr Roger Higgins (and his nominees), or any of their respective associates.

However, the Company need not disregard a vote if:

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

### **Voting Prohibitions**

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on these Resolutions if:

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

However, the above prohibition does not apply if:

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

**BY ORDER OF THE BOARD**

Julia Beckett  
**Joint Company Secretary**  
**Metminco Limited**  
Dated: 22 October 2019

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# METMINCO LIMITED

## ACN 119 759 349

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### EXPLANATORY MEMORANDUM

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## 1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Suite 12, Level 1, 11 Ventnor Avenue, West Perth WA 6005 on Thursday, 28 November 2019 at 2:00pm (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 2	Action to be taken by Shareholders
Section 3	Resolution 1 - Approval of change of Company name
Section 4	Resolution 2 - Approval to issue Options to Jason Stirbinskis
Section 5	Resolution 3 - Approval to issue Options to Ross Ashton and Kevin Wilson
Section 6	Resolution 4 - Approval to issue Shares to Glenister Lamont and Roger Higgins
Schedule 1	- Definitions
Schedule 2	- Terms and conditions of Incentive Options

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

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## 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.

### 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 2 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).

(c) 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.

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

In accordance with sections 250BD and 250R of the Corporations Act, votes on Resolutions 2 to 5 (inclusive) 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 a vote on these Resolutions if the vote is not cast on behalf of a person who is excluded from voting on the relevant Resolution and:

- (a) the person is appointed as proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (b) 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.

## 2.4 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 Resolutions 2 to 4 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 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

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# 3. Resolution 1 - Approval of change of Company name

## 3.1 General

Section 157(1)(a) of the Corporations Act provides that a company may change its name if the company passes a special resolution adopting a new name.

Resolution 1 seeks the approval of Shareholders for the Company to change its name to "Los Cerros Limited".

Resolution 1 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 1.

## 3.2 Rationale for proposed change

The Company was incorporated as "Metminco Limited" in 2006.

The Board proposes the current change of name to "Los Cerros Limited" on the basis that the change of name marks the reinvigoration of the company post the recent merger with Andes Resources Limited (**Andes**) in August 2019 and is considered by the

directors to better reflect and acknowledge the nature of the Company's activities. Los Cerros is Spanish for "The Hills" and reflects the Company's business focus in the Andes mountains. Villa De Los Cerros is also an accepted alternate name for the town of Quinchia in Colombia from which the Company operates and therefore has local relevance.

In connection with the change of Company name, the Company's ASX code is also proposed to change from "MNC" to "LCL".

### 3.3 Effect of approval of the Resolution

The proposed name has been reserved by the Company with ASIC. If Resolution 1 is passed the change of name will take effect when ASIC and subsequently ASX alter the details of the Company's registration.

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## 4. Resolution 2 - Approval to issue Options to Jason Stirbinskis

### 4.1 General

The Board has agreed, subject to obtaining Shareholder approval, to issue up to a total of 6,000,000 unquoted Options to the Company's Managing Director Mr Jason Stirbinskis (or his nominees) (**Incentive Options**).

The Incentive Options are proposed to be issued to Mr Stirbinskis as part of his remuneration package. The Company is in an important stage of development with significant opportunities and challenges in both the near and long-term, and the proposed issue of the Incentive Options has the objective of aligning the efforts of Mr Stirbinskis in seeking to achieve growth of the Share price and in the creation of Shareholder value. In addition, the Board also believes that incentivising with Incentive Options rather than cash payments is a prudent means of conserving the Company's cash reserves. Further, the Board believes it is important to offer these Incentive Options to continue to attract and maintain highly experienced and qualified Board members such as Mr Stirbinskis in a competitive market.

Subject to the terms and conditions in Schedule 2, the Incentive Options are proposed to be subject to the following vesting conditions:

Number of Incentive Options	Vesting Condition
2,000,000	Vest upon 12 months from the date of Mr Stirbinskis' appointment as Managing Director, subject to Mr Stirbinskis' continued employment with the Company as at that date.
2,000,000	Vest upon 24 months from the date of Mr Stirbinskis' appointment as Managing Director, subject to Mr Stirbinskis' continued employment with the Company as at that date.
2,000,000	Vest upon successfully announcing on the ASX Market Announcements Platform an additional Inferred Mineral Resource of at least 0.5Moz AuEq @ >1.75g/t AuEq; or at least 1Moz AuEq @ >0.9g/t AuEq.

Resolution 2 seeks Shareholder approval pursuant to Listing Rule 10.11 for the issue of the Incentive Options to Mr Stirbinskis (or his nominees).

Resolution 2 is an ordinary resolution.

The Directors (other than Mr Stirbinskis, who has a material personal interest in the outcome of Resolution 2) recommend that Shareholders vote in favour of Resolution 2.

#### **4.2 Listing Rule 10.11**

Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained, unless an exception in Listing Rule 10.12 applies.

Mr Stirbinskis is a related party of the Company by virtue of his position as a Director. 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.

As Shareholder approval is sought under Listing Rule 10.11, approval under Listing Rule 7.1 is not required. Accordingly, the issue of Incentive Options will not be included under the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

#### **4.3 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 the Incentive Options:

- (a) a maximum of 6,000,000 Incentive Options will be issued to Mr Jason Stirbinskis (or his nominees);
- (b) the Incentive Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (c) the Incentive Options will be issued for nil cash consideration as they will be issued as part of Mr Stirbinskis' remuneration package;
- (d) the Incentive Options will be exercisable at \$0.135 each on or before 30 September 2024 and otherwise on the terms and conditions set out in Schedule 2;
- (e) the Incentive Options will be issued for nil cash consideration and therefore no funds will be raised as a result of the issue; and
- (f) a voting exclusion statement is included in the Notice.

#### **4.4 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 grant of the Incentive Options constitutes giving a financial benefit and the Directors are related parties of the Company by virtue of being Directors.

The Board (other than Mr Stirbinskis, who has a material personal interest in the outcome of Resolution 2) considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of the Incentive Options due to the exceptions in sections 210 and 211 of the Corporations Act as the agreement to grant the Incentive Options, reached as part of the remuneration package for Mr Stirbinskis is considered reasonable remuneration in the circumstances and was negotiated on arm's length terms.

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## 5. Resolution 3 - Approval to issue Options to Ross Ashton and Kevin Wilson

### 5.1 General

The Board has agreed, subject to obtaining Shareholder approval, to issue:

- (a) up to 2,000,000 unquoted Options to Mr Ross Ashton (or his nominees); and
  - (b) up to 2,000,000 unquoted Options Mr Kevin Wilson (or his nominees),
- (together, **Director Options**).

Messrs Ashton and Wilson have both proposed, and the Board has accepted, that no cash fees will be taken for their board duties over the next two years, amounting to a saving to the Company of \$200,000 in aggregate.

The Director Options are proposed to be issued as incentive options to Messrs Ashton and Wilson. The exercise price of the incentive options is \$0.135 which represents a 73% premium to the Metminco share price close of \$0.078 on 21 October 2019.

The Company is in an important stage of development with significant opportunities and challenges in both the near and long-term, and the proposed issue of the Director Options has the objective of aligning the efforts of Messrs Ashton and Wilson with those of the Company in seeking to achieve growth of the Share price and in the creation of Shareholder value. In addition, the Board also believes that incentivising with Director Options rather than cash fees is a prudent means of conserving the Company's cash reserves and potentially provides the company with additional cash should the options be exercised. Further, the Board believes it is important to offer these Director Options to continue to attract and maintain highly experienced and qualified Board members in a competitive market.

In the event shareholders do not approve the issue of the Director Options to Messrs Ashton and Wilson, they will each be entitled to Director fees of \$50,000 per annum, satisfied in cash

Each of the resolutions which form part of Resolution 3 seek Shareholder approval pursuant to Listing Rule 10.11 for the issue of the Director Options.

Each of the resolutions which form part of Resolution 3 are each an ordinary resolution.

The Directors decline to make a recommendation to Shareholders in relation to Resolutions 3(a) and 3(b) due to Messrs Ashton and Wilson's material personal interests in the outcome of the Resolutions.

## **5.2 Listing Rule 10.11**

A summary of Listing Rule 10.11 is set out in Section 4.2.

Messrs Ashton and Wilson are each a related party of the Company by virtue of their positions as Directors. 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.

As Shareholder approval is sought under Listing Rule 10.11, approval under Listing Rule 7.1 is not required. Accordingly, the issue of Director Options will not be included under the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

## **5.3 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 the Director Options:

- (a) a maximum of 4,000,000 Director Options will be issued as follows:
  - (i) up to 2,000,000 Director Options will be issued to Mr Ross Ashton (or his nominees); and
  - (ii) up to 2,000,000 Director Options will be issued to Mr Kevin Wilson (or his nominees);
- (b) the Director Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (c) the Director Options will be issued for nil cash consideration as they will be issued as remuneration for Messrs Ashton and Wilson;
- (d) the Director Options will be exercisable at \$0.135 each on or before 30 September 2024 and otherwise on the terms and conditions set out in Schedule 3;
- (e) the Director Options will be issued for nil cash consideration and therefore no funds will be raised as a result of the issue; and
- (f) a voting exclusion statement is included in the Notice.

## **5.4 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 grant of the Director Options constitutes giving a financial benefit and Messrs Ashton and Wilson are related parties of the Company by virtue of being Directors.

The Board (other than Mr Ashton who has a material interest in Resolution 3(a)) considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of the Director Options to Mr Ashton due to the exceptions in sections 210 and 211 of the Corporations Act as the agreement to grant the Director Options, reached in order to provide incentive for Mr Ashton is considered reasonable on the basis of providing sufficient motivation for a person of Mr Ashton's skills and experience whilst minimising the Company's cash burn.

The Board (other than Mr Wilson who has a material interest in Resolution 3(b)) considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of the Director Options to Mr Wilson due to the exceptions in sections 210 and 211 of the Corporations Act as the agreement to grant the Director Options, reached in order to provide incentive for Mr Wilson is considered reasonable on the basis of providing sufficient motivation for a person of Mr Wilson's skills and experience whilst minimising the Company's cash burn.

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## **6. Resolution 4 - Approval to issue Shares to Glenister Lamont and Roger Higgins**

### **6.1 General**

The Board has agreed, subject to obtaining Shareholder approval, to issue up to 689,625 Shares to Mr Glenister Lamont and up to 580,625 Shares to Dr Roger Higgins (together, the LH Shares).

The LH Shares are proposed to be issued to Mr Lamont and Dr Higgins in satisfaction of fees for services previously provided by Mr Lamont as a Director for the period between 1 June 2018 and 16 August 2019; and for fees for services previously provided by Dr Higgins as a Director for the period between 1 July 2018 and 16 August 2019.

\$55,170 is payable to Mr Lamont for such services, which is to be satisfied by the issuance of up to 689,625 LH Shares at a deemed issue price of \$0.08 each.

\$46,450 is payable to Dr Higgins for such services, which is to be satisfied by the issuance of up to 580,625 LH Shares at a deemed issue price of \$0.08 each.

In the event shareholders do not approve the issue of the LH Shares, Mr Lamont and Dr Higgins will each be entitled to receive up to \$55,170 and \$46,450 in cash respectively for the services referred to above.

Each of the resolutions which form part of Resolution 4 seek Shareholder approval pursuant to Listing Rule 10.11 for the issue of the LH Shares to Mr Lamont and Dr Higgins (or their respective nominees).

Each of the resolutions which form part of Resolution 4 are ordinary resolutions.

The Directors recommend that Shareholders vote in favour of Resolution 4.

### **6.2 Listing Rule 10.11**

Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with

the entity or a related party is, in ASX's opinion, such that approval should be obtained, unless an exception in Listing Rule 10.12 applies.

Mr Lamont and Dr Higgins are each a related party of the Company by virtue of being former Directors. 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.

As Shareholder approval is sought under Listing Rule 10.11, approval under Listing Rule 7.1 is not required. Accordingly, the issue of LH Shares will not be included under the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

### **6.3 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 the LH Shares:

- (a) a maximum of 1,270,250 LH Shares will be issued as follows:
  - (i) up to 689,625 LH Shares will be issued to Mr Glenister Lamont (or his nominees); and
  - (ii) up to 580,625 LH Shares will be issued to Dr Roger Higgins (or his nominees);
- (b) the LH Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (c) the LH Shares will be issued for nil cash consideration as they will be issued in consideration for services previously provided by Mr Lamont and Dr Higgins as Directors;
- (d) the LH Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the LH Shares will be issued for nil cash consideration and therefore no funds will be raised as a result of the issue; and
- (f) a voting exclusion statement is included in the Notice.

### **6.4 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 grant of the LH Shares constitutes giving a financial benefit and Mr Lamont and Dr Higgins are each a related party of the Company by virtue of being a former Director.



The Board considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of the LH Shares due to the exceptions in sections 210 and 211 of the Corporations Act as the agreement to grant the LH Shares is considered reasonable remuneration in the circumstances and was negotiated on arm's length terms.

## Schedule 1 - Definitions

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

**\$ or A\$** means Australian Dollars.

**Andes** means Andes Resources Limited ACN 166 866 691.

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

**Board** means the board of Directors.

**Chair** means the person appointed to chair the Meeting of the Company convened by the Notice.

**Closely Related Party** means:

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

**Company** means Metminco Limited (ACN 119 759 349).

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

**Director** means a director of the Company.

**Director Options** means up to 4,000,000 Options to be issued to Messrs Ross Ashton and Kevin Wilson on the terms and conditions set out in Schedule 3, which is the subject of Resolution 3.

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

**Explanatory Memorandum** means the explanatory memorandum which forms part of the Notice.

**Incentive Options** means up to 6,000,000 Options to be issued to Jason Stirbinskis on the terms and conditions set out in Schedule 2, which is the subject of Resolution 2.

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

**LH Shares** means up to 1,270,250 Shares to be issued to Mr Glenister Lamont and Dr Roger Higgins (or their respective nominees), which is the subject of Resolutions 4(a) and 4(b).

**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 general meeting.

**Option** means an option to acquire a Share.

**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 (including Shares, Options and/or Performance Rights).

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

**Shareholder** means the holder of a Share.

**VWAP** means volume weighted average market price.

**WST** means Western Standard Time being the time in Perth, Western Australia.

## Schedule 2 - Terms and conditions of Incentive Options

The terms of the Incentive Options are as follows:

1. **(Entitlement):** Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
2. **(Issue Price):** No cash consideration is payable for the issue of the Options.
3. **(Exercise Price):** The Options have an exercise price of \$0.135 per Option (**Exercise Price**).
4. **(Expiry Date):** The Options expire at 5:00pm (WST) on 30 September 2024 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
5. **(Exercise Period):** Subject to the vesting conditions below, the Options are exercisable at any time and from time to time on or prior to the Expiry Date.
6. **(Vesting Conditions):** The Incentive Options are subject to the following vesting conditions:

Number of Incentive Options	Vesting Condition
2,000,000	Vest upon 12 months from the date of Mr Stirbinskis' appointment as Managing Director, subject to Mr Stirbinskis' continued employment with the Company as at that date.
2,000,000	Vest upon 24 months from the date of Mr Stirbinskis' appointment as Managing Director, subject to Mr Stirbinskis' continued employment with the Company as at that date.
2,000,000	Vest upon successfully announcing on the ASX Market Announcements Platform an additional Inferred Mineral Resource of at least 0.5Moz AuEq @ >1.75g/t AuEq; or at least 1Moz AuEq @ >0.9g/t AuEq.

7. **(Quotation of the Options):** The Company will not apply for quotation of the Options on ASX.
8. **(Transferability of the Options):** The Options are not transferable, except with the prior written approval of the Company.
9. **(Notice of Exercise):** Vested Options may be exercised by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

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**).

10. **(Cashless exercise of Options)** the holder of Options may elect not to be required to provide payment of the Exercise Price for the number of Options specified in a Notice of Exercise but that on exercise of those Options the Company will transfer or allot to the holder that number of Shares equal in value to the positive difference between the then Market Value of the Shares at the time of exercise and the Exercise Price that would otherwise be payable to exercise those Options (with the number of Shares rounded down to the nearest whole Share).

Where **Market Value** means, at any given date, the volume weighted average price per Share traded on the ASX over the five (5) trading days immediately preceding that given date.

11. **(Timing of issue of Shares on exercise):** Within 5 Business Days after the later of the following:

- (a) the Exercise Date; and
- (b) 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:

- (c) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (d) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (e) 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.

12. **(Restrictions on transfer of Shares):** If the Company is required but unable to give ASX a notice under paragraph 11(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, Shares issued on exercise of 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.

13. **(Shares issued on exercise):** Shares issued on exercise of the Options will rank equally with the then Shares of the Company.

14. **(Quotation of Shares on exercise):** If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options in accordance with the Listing Rules.

15. **(Reconstruction of capital):** If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.

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

17. **(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):
- (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
  - (b) no change will be made to the Exercise Price.
18. **(Change of Control):** Upon the occurrence of:
- (a) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
    - (i) having received acceptances for greater than 50% of the Company's shares on issue; and
    - (ii) having been declared unconditional by the bidder;
  - (b) any person acquires a Relevant Interest (as defined in the Corporations Act) more than 50% of the Shares by any other means; or
  - (c) any merger transaction or scheme of arrangement is recommended by the Board and where such transaction would have the effect contemplated in paragraph 19(b) above,

**(Change of Control Event)** or the Board determines that such an event is likely to occur, to the extent any Options have not yet vested, all remaining Options will automatically vest (and the vesting conditions will be deemed to have been satisfied).

### Schedule 3 - Terms and conditions of Director Options

The terms of the Director Options are as follows:

1. **(Entitlement):** Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
2. **(Issue Price):** No cash consideration is payable for the issue of the Options.
3. **(Exercise Price):** The Options have an exercise price of \$0.135 per Option (**Exercise Price**).
4. **(Expiry Date):** The Options expire at 5:00pm (WST) on 30 September 2024 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
5. **(Exercise Period):** The Options are exercisable at any time and from time to time on or prior to the Expiry Date.
6. **(Quotation of the Options):** The Company will not apply for quotation of the Options on ASX.
7. **(Transferability of the Options):** The Options are not transferable, except with the prior written approval of the Company.
8. **(Notice of Exercise):** The Options may be exercised by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

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**).

9. **(Cashless exercise of Options)** the holder of Options may elect not to be required to provide payment of the Exercise Price for the number of Options specified in a Notice of Exercise but that on exercise of those Options the Company will transfer or allot to the holder that number of Shares equal in value to the positive difference between the then Market Value of the Shares at the time of exercise and the Exercise Price that would otherwise be payable to exercise those Options (with the number of Shares rounded down to the nearest whole Share).

Where **Market Value** means, at any given date, the volume weighted average price per Share traded on the ASX over the five (5) trading days immediately preceding that given date.

10. **(Timing of issue of Shares on exercise):** Within 5 Business Days after the later of the following:
  - (a) the Exercise Date; and
  - (b) 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:

- (c) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
  - (d) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
  - (e) 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.
11. **(Restrictions on transfer of Shares):** If the Company is required but unable to give ASX a notice under paragraph 11(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, Shares issued on exercise of 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.
12. **(Shares issued on exercise):** Shares issued on exercise of the Options will rank equally with the then Shares of the Company.
13. **(Quotation of Shares on exercise):** If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options in accordance with the Listing Rules.
14. **(Reconstruction of capital):** If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
15. **(Participation in new issues):** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
16. **(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):
- (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
  - (b) no change will be made to the Exercise Price.
17. **(Change of Control):** Upon the occurrence of:
- (a) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
    - (i) having received acceptances for greater than 50% of the Company's shares on issue; and
    - (ii) having been declared unconditional by the bidder;
  - (b) any person acquires a Relevant Interest (as defined in the Corporations Act) more than 50% of the Shares by any other means; or



- (c) any merger transaction or scheme of arrangement is recommended by the Board and where such transaction would have the effect contemplated in paragraph 17(b) above,

**(Change of Control Event)** or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Options will be dealt with, including, without limitation, in a manner that allows the holder of the Options to participate in and/or benefit from any transaction arising from or in connection with the Change of Control Event.

**Metminco Limited**  
ACN 119 759 349  
**PROXY FORM**

The Company Secretary  
Metminco Limited

**By post:** PO Box 1240, West Perth WA 6872  
**By hand delivery:** Suite 12, Level 1, 11 Ventnor Avenue, West Perth WA 6005  
**By facsimile:** +61 8 6245 2055  
**By email:** jbeckett@metminco.com.au

**Name of Shareholder:**

**Address of Shareholder:**

**Number of Shares entitled to vote:**

Please mark  to indicate your directions. Further instructions are provided overleaf.

**STEP 1 - APPOINT A PROXY TO VOTE ON YOUR BEHALF**

Proxy appointments will only be valid and accepted by the Company if they are made and received no later than 48 hours before the Meeting.

I/We being Shareholder/s of the Company hereby appoint:

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

*(mark box)*

Or failing the person/body corporate named, or if no person/body corporate is named, the Chair of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the General Meeting of the Company to be held at Suite 12, Level 1, 11 Ventnor Avenue, West Perth WA 6005 on Thursday, 28 November 2019 at 2:00pm (WST), and at any adjournment or postponement of that Meeting.

**CHAIR'S VOTING INTENTIONS IN RELATION TO UNDIRECTED PROXIES**

The Chair intends to vote all undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intentions on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

**Important:** If the Chair is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chair to exercise the proxy in respect of Resolutions 2 to 5 (inclusive), even though these Resolutions are connected directly or indirectly with the remuneration of the Company's Key Management Personnel.

**STEP 2 - INSTRUCTIONS AS TO VOTING ON RESOLUTIONS**

The proxy is to vote for or against the Resolution referred to in the Notice as follows:

		For	Against	Abstain*
Resolution 1	Approval of change of Company name			
Resolution 2	Approval to issue Options to Mr Jason Stirbinskis			
Resolution 3(a)	Approval to issue Options to Mr Ross Ashton			
Resolution 3(b)	Approval to issue Options to Mr Kevin Wilson			
Resolution 4(a)	Approval to issue Shares to Mr Glenister Lamont			
Resolution 4(b)	Approval to issue Shares to Dr Roger Higgins			

If no directions are given my proxy may vote as the proxy thinks fit or may abstain.

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

**Authorised signature/s** This section *must* be signed in accordance with the instructions below to enable your voting instructions to be implemented.

Individual or Shareholder 1	Shareholder 2	Shareholder 3
<input style="width: 150px; height: 20px;" type="text"/>	<input style="width: 150px; height: 20px;" type="text"/>	<input style="width: 150px; height: 20px;" type="text"/>
Sole Director/Company Secretary	Director	Director/Company Secretary

Contact Name

Contact Daytime Telephone Date

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<sup>1</sup>Insert name and address of Shareholder      <sup>2</sup> Insert name and address of proxy      \*Omit if not applicable

**PROXY NOTES**

A Shareholder entitled to attend and vote at the General Meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at that General Meeting. If the Shareholder is entitled to cast 2 or more votes at the General Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that General Meeting, the representative of the body corporate to attend the General Meeting must produce the Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Company's share registry.

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

Joint Holding:            where the holding is in more than one name all of the holders must sign.

Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.

Companies:            a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the General Meeting the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be provided to the Company Secretary at an address provided above (by post, hand delivery, facsimile or email) not less than 48 hours prior to the time of commencement of the General Meeting (WST).