



ELEMENTOS LIMITED

ABN 49 138 468 756

Notice of Annual General Meeting and Explanatory Statement

Annual General Meeting to be held at Level 7, 1 Eagle Street, Brisbane QLD on
22 November 2019 commencing at 10.00am (Brisbane Time)

This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

Notice of Annual General Meeting

Notice is given that the 2019 Annual General Meeting of Shareholders of Elementos Limited (ABN 49 138 468 756) (**Company** or **Elementos**) will be held at Level 7, 1 Eagle Street Brisbane QLD on 22 November 2019 at 10.00am (Brisbane Time).

Terms used in this Notice of Meeting are defined in the "Interpretation" section of the accompanying Explanatory Statement.

ORDINARY BUSINESS

Financial Reports

To receive and consider the Company's Annual Report comprising the Directors' Report and Auditor's Report, Directors' Declaration, Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows and notes to the Consolidated Financial Statements for the Company for the financial year ended 30 June 2019. The Company's reports can be accessed on the Company's website at <http://elementos.com.au/>.

Resolution 1 – Remuneration Report

To consider and, if thought fit, pass the following Advisory Resolution of the Company, with or without amendment:

"That, for the purposes of section 250R(2) of the Corporations Act, and for all other purposes, the Remuneration Report for the year ended 30 June 2019 (as set out in the Directors' Report) be adopted."

The vote on this Resolution 1 is advisory only and does not bind the Directors or the Company.

VOTING RESTRICTION STATEMENT

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

- a member of the Company's Key Management Personnel, details of whose remuneration are included in the Remuneration Report;
- a Closely Related Party of such a member.

However, a vote may be cast on Resolution 1 if:

- the person does so as a proxy; and
- the vote is not cast 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; and

either:

- the appointment as a proxy is in writing and specifies how the proxy is to vote on Resolution 1; or
- the voter is the chair of the meeting and the appointment of the chair as proxy:
 - does not specify the way the proxy is to vote on the resolution; and
 - expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company or, if the Company is part of a consolidated entity, for the entity.

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Voting Intentions of Chair

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of all Resolutions the subject of this Meeting, including Resolution 1, subject to compliance with the Corporations Act. In exceptional circumstances, the Chair of the meeting may change his voting intention on any resolution, in which case an ASX announcement will be made.

Further details, in relation to the ability of the Chair to vote on undirected proxies are set out in the accompanying Proxy Form.

Resolution 2 – Re-election of Mr Andrew Greig as a Director

To consider and, if thought fit, pass, with or without amendment, the following Resolution as an Ordinary Resolution of the Company:

“That Andrew Greig, who retires by rotation in accordance with clause 8.3 of the Company's Constitution and Listing Rule 14.4 and, being eligible, offers himself for re-election, is re-elected as a Director of the Company.”

Resolution 3 – Re-election of Mr Christopher Dunks as a Director

To consider and, if thought fit, pass, with or without amendment, the following Resolution as an Ordinary Resolution of the Company:

“That Christopher Dunks, who retires by rotation in accordance with clause 8.3 of the Company's Constitution and Listing Rule 14.4 and, being eligible, offers himself for re-election, is re-elected as a Director of the Company.”

SPECIAL BUSINESS

Resolution 4 – Approval to issue an additional 10% of the issued capital of the Company over a 12 month period pursuant to Listing Rule 7.1A

To consider and, if thought fit, pass, with or without amendment, the following Resolution, as a Special Resolution of the Company:

*“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 (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2, over a 12 month period from the date of the Meeting, at a price not less than that determined pursuant to Listing Rule 7.1A.3 and otherwise on the terms and conditions in the Explanatory Memorandum (**Placement Securities**).”*

VOTING EXCLUSION STATEMENT

The Company will disregard any votes cast in favour of this Resolution 4 by or on behalf of:

- (a) a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity); or
- (b) any associate of that person (or those persons).

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However, the Company need not disregard a vote if:

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

GENERAL BUSINESS

To consider any other business as may be lawfully put forward in accordance with the Constitution of the Company.

By Order of the Board

Duncan Cornish
Company Secretary
18 October 2019

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INTRODUCTION

This Explanatory Statement is provided to Shareholders of **Elementos Limited ABN 49 138 468 756 (Company)** to explain the Resolutions to be put to Shareholders at the Annual General Meeting to be held at Level 7, 1 Eagle Street, Brisbane QLD on 22 November 2019 at 10.00am (Brisbane time).

The Directors recommend Shareholders read the accompanying Notice of Meeting and this Explanatory Statement in full before making any decision in relation to the Resolutions.

Terms used in this Explanatory Statement are defined in the "Interpretation" section of this Explanatory Statement.

CONSIDER THE COMPANY'S ANNUAL FINANCIAL REPORT

The Company's Annual Report comprising the Directors' Report and Auditor's Report, Directors' Declaration, Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows and Notes to the Consolidated Financial Statements for the Company for the financial year ended 30 June 2019 was released to the ASX on 17 September 2019. The Company's Annual Financial Report is placed before Shareholders for discussion. No voting is required for this item.

Time will be allowed during the Meeting for consideration of and questions from Shareholders in relation to the Annual Financial Report.

The Company will not provide a hard copy of the Company's Annual Financial Report to Shareholders unless specifically requested to do so. The Company's Annual Financial Report is available on its website at www.elementos.com.au.

RESOLUTION 1 – REMUNERATION REPORT

In accordance with section 250R of the Corporations Act, the Board has submitted its Remuneration Report to Shareholders for consideration and adoption by way of a non-binding Advisory Resolution.

The Remuneration Report is set out on pages 16 to 22 of the Directors' Report section of the Annual Financial Report for the period ending 30 June 2019. The Annual Financial Report is available to download on the Company's website, www.elementos.com.au.

The Report:

- explains the Board's policy for determining the nature and amount of remuneration of Key Management Personnel of the Company;
- explains the relationship between the Board's remuneration policy and the Company's performance;
- sets out remuneration details for each member of Key Management Personnel of the Company; and
- details and explains any performance conditions applicable to the remuneration of Key Management Personnel of the Company.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Meeting.

Voting restrictions on Key Management Personnel and their Closely Related Parties and their proxies

A voting exclusion statement is set out under Resolution 1 in the Notice of Meeting. In particular, as set out in the notes to Resolution 1, a voting restriction applies with respect to the voting on this

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Resolution by members of the Key Management Personnel and their Closely Related Parties and their proxies voting (in any capacity) (**Voting Restriction**). Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

The Voting Restriction does not apply where:

- (a) the Chairman or any other member of the Key Management Personnel is appointed in writing (by a Shareholder who is not a member of the Key Management Personnel or a Closely Related Party of the Key Management Personnel) as a proxy (Management Proxy) with specific instructions on how to vote on a resolution to adopt the remuneration report of the Company; or
- (b) the Chairman is appointed in writing (by a Shareholder who is not a member of the Key Management Personnel or a Closely Related Party of the Key Management Personnel) as a proxy with no specific instructions on how to vote on a non-binding Shareholder vote on remuneration, where the Shareholder provides express authorisation for the Chairman to do so.

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the Resolutions the subject of this Meeting, including Resolution 1 subject to compliance with the Corporations Act. In exceptional circumstances, the Chair of the Meeting may change his/her voting intention on any Resolution, in which case an ASX announcement will be made.

Recommendation

The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to this Resolution.

A vote on this Resolution 1 is advisory only and does not bind the Directors or the Company.

RESOLUTION 2 – RE-ELECTION OF MR ANDY GREIG AS A DIRECTOR

In accordance with Clause 8.3 of the Company's Constitution, Mr Andy Greig will retire by rotation at the Annual General Meeting and, being eligible, offers himself for re-election as a Director.

Under Clause 8.3 of the Company's Constitution, one-third of Directors are required to retire at each general meeting (excluding Directors seeking election at the meeting for the first time, or the Managing Director).

Mr Greig was appointed as a director of the Company on 30 October 2015.

Mr Greig has 35 years of experience in the mining and natural resource industry with Bechtel Group Inc., a global engineering, construction and project management company. Mr Greig has held numerous positions with Bechtel, most recently as SVP and Global Manager of Human Resources. Mr Greig served on the Bechtel Board as a Director and was President of the Mining and Metals Global Business Unit, centered in Brisbane, Australia for 13 years, prior to his HR role. He brings direct experience in developing minerals, resource, power, refining, and chemical projects in 20 countries across six continents. A resident of Australia, Mr Greig earned a graduate diploma in business from Monash University, Melbourne and is a Fellow of the Australian Academy of Technological Sciences and Engineering.

In accordance with the ASX Corporate Governance Council's "Corporate Governance Principles and Recommendations, 3rd Edition", Mr Greig is not considered to be independent.

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Recommendation

The Directors (with Mr Greig abstaining) recommend that you vote in favour of this Ordinary Resolution.

RESOLUTION 3 – RE-ELECTION OF MR CHRISTOPHER DUNKS AS A DIRECTOR

In accordance with Clause 8.3 of the Company's Constitution, Mr Christopher Dunks will retire at the Annual General Meeting and, being eligible, offers himself for re-election as a Director.

Under Clause 8.3 of the Company's Constitution, one-third of Directors are required to retire at each general meeting (excluding Directors seeking election at the meeting for the first time, or the Managing Director) in addition no Director shall hold office for a continuous period in excess of 3 years or until the third annual general meeting following a Director's appointment, whichever is the longer, without submitting for re-election. Mr Dunks was previously elected at the 2016 annual general meeting and therefore retires and offers himself for re-election.

Mr Dunks was appointed as a director of the Company on 23 July 2009.

Currently the Managing Director of Synergen Met Pty Ltd, Mr Dunks was a Founder and Managing Director of Rockwell Minerals Pty Ltd, the company that merged with Elementos in 2013, and negotiated the original deal to purchase the Cleveland Project. Mr Dunks' experience over the last 20 years has been dominated by working on major minerals processing, refining and power projects both in Australia and the USA. He has worked extensively with Bechtel, Worley Parsons, SNC Lavalin and Jacobs (Aker Kvaerner).

Mr Dunks is a member of the Audit and Risk Management Committee. In accordance with the ASX Corporate Governance Council's "Corporate Governance Principles and Recommendations, 3rd Edition", Mr Dunks is not considered to be independent.

Recommendation

The Directors (with Mr Dunks abstaining) recommend that you vote in favour of this Ordinary Resolution.

RESOLUTION 4 – APPROVAL TO ISSUE AN ADDITIONAL 10% OF THE ISSUED CAPITAL OF THE COMPANY OVER A 12 MONTH PERIOD PURSUANT TO LISTING RULE 7.1A

Introduction

Pursuant to Resolution 4, the Company is seeking Shareholder approval to issue an additional 10% of issued capital over a 12 month period in accordance with Listing Rule 7.1A.

General

Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval to allow it to issue Equity Securities up to 10% of its issued capital over a period up to 12 months after the entity's annual general meeting (**10% Placement Capacity**). The 10% Placement Capacity is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

If Shareholders approve Resolution 4, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (as set out below).

The effect of Resolution 4 will be to allow the Directors to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the

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period up to 12 months after the Meeting (**Placement Securities**), without subsequent Shareholder approval and without using the Company's 15% annual placement capacity under Listing Rule 7.1.

The Company may issue the Placement Securities to raise funds for the Company and as non-cash consideration (further details of which are set out below). Funds raised from the issue of Placement Securities, if undertaken, would be applied towards the acquisition of new resources, assets and investments (including expenses associated with such an acquisition), continued exploration expenditure on the Company's current assets and general working capital (including payment of expenses associated with the issue of Placement Securities).

Resolution 4 is a Special Resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 4 for it to be passed. Pursuant to Listing Rule 7.1A, no Placement Securities will be issued until and unless this Special Resolution is passed at the AGM.

Listing Rule 7.1A

Listing Rule 7.1A enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

Eligibility

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of less than \$300,000,000.

The Company is therefore able to undertake an additional 10% placement under Listing Rule 7.1A. In the event that the Company is no longer an eligible entity to undertake an additional 10% placement after the Company has already obtained Shareholder approval, the approval obtained will not lapse and the Company will still be entitled to issue the Placement Securities.

The Equity Securities must be in the same class as an existing class of quoted Equity Securities. The Company currently has only one class of quoted Equity Securities on issue, being the Shares.

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.

Special Resolution

Listing Rule 7.1A requires this Resolution 4 to be passed as a Special Resolution, which means that it must be passed by at least 75% of the votes cast by members entitled to vote on the Resolution. Pursuant to Listing Rule 7.1A, no Placement Securities will be issued until and unless this Special Resolution is passed at the Meeting.

Shareholder Approval

The ability to issue the Placement Securities is conditional upon the Company obtaining Shareholder approval by way of a Special Resolution at the Meeting.

Date of Issue

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

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

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(iii) such longer period if allowed by ASX.

(10% Placement Capacity Period).

If approval is given for the 10% Placement Capacity at the AGM on 22 November 2019, then the approval will expire on 22 November 2020. In addition, the approval under Resolution 4 for the issue of the Placement Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities of the Company) or Listing Rule 11.2 (the disposal of the main undertaking of the Company) before the anniversary of the AGM.

Formula for calculating Additional 10% placement

At the date of the Meeting the Company will have on issue 1,544,330,961 Shares, and therefore has capacity to issue:

- (i) 231,649,644 Equity Securities under Listing Rule 7.1; and
- (ii) 154,433,096 Equity Securities under Listing Rule 7.1A.

Listing Rule 7.1A.2 provides that Eligible Entities that 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 below formula. The exact number of Equity Securities that the Company may issue with approval under Listing Rule 7.1A will be calculated according to the following formula:

(A x D) – E

Where:

A = the number of fully paid ordinary securities (Shares) on issue 12 months before the date of issue or agreement:

- (i) plus the number of Shares issued in the previous 12 months under an exception in Listing Rule 7.2;
- (ii) plus the number of partly paid shares that became fully paid in the previous 12 months;
- (iii) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rule 7.1 and 7.4;
- (iv) less the number of Shares cancelled in the previous 12 months.

D = 10%.

E = the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the issue date or date of agreement to issue that are not issued with the approval of holders of ordinary securities under Listing Rule 7.1 or 7.4.

Technical information required by Listing Rule 7.1A and Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to this Resolution 4:

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Equity Securities

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

As at the date of this notice of meeting, the only class of Equity Securities in the Company quoted on the ASX are ordinary shares. The Company presently has 1,544,330,961 Shares on issue at the date of this Notice of Meeting.

Minimum Price

The minimum price at which the Placement Securities may be issued is 75% of the volume weighted average price of Equity Securities in the same class, calculated over the 15 Trading Days immediately before:

- (i) the date on which the price at which the relevant Placement Securities are to be issued is agreed; or
- (ii) if the relevant Placement Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the relevant Placement Securities are issued.

The Company will disclose to the ASX the issue price on the date of issue of the relevant Placement Securities.

Information on Allotment

If Resolution 4 is passed and the Company issues any Placement Securities under Listing Rule 7.1A, the Company will give to ASX:

- (i) a list of allottees of the Placement Securities and the number of Placement Securities allotted to each (this list will not be released to the market); and
- (ii) the following information required by rule 3.10.5A, will be released to the market on the date of issue:
 - a. details of the dilution to the existing holders of Equity Securities caused by the issue;
 - b. where the Equity Securities are issued for cash consideration, a statement of the reasons why the Company issued the Equity Securities as a placement under rule 7.1A and not as (or in addition to) a pro rata issue or other type of issue in which existing Shareholders would have been eligible to participate;
 - c. details of any underwriting arrangements, including any fees payable to the underwriter; and
 - d. any other fees or costs incurred in connection with the issue.

Risk of voting dilution

Any issue of Placement Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Equity Securities under the issue. If Resolution 4 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

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

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

Listing Rule 7.1A.2		Dilution		
		\$0.002 50% decrease in Market Price	\$0.004 Market Price	\$0.008 100% increase in Market Price
Current Issued Capital	10% voting dilution	154,433,096	154,433,096	154,433,096
1,544,330,961	Funds raised	\$308,866	\$617,732	\$1,235,465
50% increase in current issued capital	10% voting dilution	231,649,644	231,649,644	231,649,644
2,316,496,442	Funds raised	\$463,299	\$926,599	\$1,853,197
100% increase in current issued capital	10% voting dilution	308,866,192	308,866,192	308,866,192
3,088,661,922	Funds raised	\$617,732	\$1,235,465	\$2,470,930

The table above uses the following assumptions:

- Resolution 4 is passed.
- The current Shares on issue are the Shares on issue as at 9 October 2019.
- The Share price set out above is the closing price of the Shares on the ASX on 9 October 2019 (being the last trading day before the date of this Notice of Meeting).
- The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
- The above table only shows the dilutionary effect based on the 10% Placement Capacity under Listing Rule 7.1A and not the 15% issue under Listing Rule 7.1.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue.
- The issued capital has been calculated in accordance with the formula in Listing Rule 7.1A(2) as at 9 October 2019.
- The issue price of the Placement Securities used in the table is the same as the Share price and does not take into account any discount to the share price (if any).
- The CRPS have not yet converted to Shares and are therefore not included in the calculations above.
- No Options are exercised into Shares before the date of the issue of the Equity Securities under Listing Rule 7.1A.
- The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
- Only Shares will be issued under the 10% Placement Capacity.

Shareholders should note that there is a risk that:

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- (i) the market price for the Company's Equity Securities may be significantly lower on the issue date of any Placement Securities than on the date of the Annual General Meeting; and
- (ii) the Placement Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the date of issue,

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

Purpose of Issue under 10% Placement Capacity – Listing Rule 7.3A.4

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

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

Allocation under the 10% Placement Capacity

The allottees of the Placement Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the allottees of Placement Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties or Associates of a related party of the Company. Further, if the Company is successful in acquiring new assets or investments, it is likely that the allottees under the Additional 10% Placement will be vendors of the new assets or investments.

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

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

Previous Approval under ASX Listing Rule 7.1A

The Company previously obtained approval under Listing Rule 7.1A at the annual general meeting held on 30 November 2018. No Equity Securities were issued pursuant to the Listing Rule 7.1A approval during the year.

As the Company previously obtained Shareholder approval under Listing Rule 7.1A, the following information is provided to Shareholders, in accordance with Listing Rule 7.3A.6 regarding the total number of Equity Securities (quoted and unquoted) issued in the past 12 months preceding the date of the Meeting (that is, since 30 November 2018).

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Listing Rule 7.3A.6(a): The total equity securities issued in the 12 months preceding the date of the Meeting (until 9 October 2019 being the date of preparation of this Notice of Meeting and excludes any securities that may have been issued between this date and the date of the Meeting):

Number of equity securities on issue 12 months before the date of the Meeting	1,537,330,961 Shares 10,000,000 Unlisted Options (\$0.012 @ 31-Jul-19) ¹ 100,000,000 Unlisted Options (\$0.007 @ 30-Jun-20) 30,000,000 Performance Rights (@ 30-Jun-20) 1,677,330,961 Total number of equity securities
Equity securities issued in the preceding 12 month period	7,000,000 Shares on exercise of Performance Rights 1,000,000,000 CRPS 1,007,000,000 Total number of equity securities issued
Percentage previous issues represent of total number of equity securities on issue at commencement of 12 month period	60.04%

Note(1) – these unlisted options expired within the last 12 months

Listing Rule 7.3A.6(b): Details of equity securities issued in the 12 months preceding the date of the AGM up until 9 October 2019 (being the date of preparation of this Notice of Meeting) and excludes any securities that may have been issued between this date and the date of the Meeting:

Type of Equity Securities	Shares
Terms	Fully Paid Ordinary Shares
Details of Issue	Issue of Ordinary Shares on exercise of Performance Rights
Issue Date	17 April 2019
Number Issued	7,000,000 Ordinary Shares
Name of recipient or basis on which recipient determined	Elementos Ltd Chief Executive Officer, Mr Chris Creagh
Issue price of Equity Securities and Discount to closing market price on the date of issue	Ordinary shares issued for nil cash consideration. Discount = 100% (as the Performance Rights were exercisable for no cash consideration)
If issue for cash consideration – the total funds received, use of funds and amount remaining; If issue for non-cash consideration – the non-cash consideration paid and current value of non-cash consideration	Cash consideration - Not applicable Non-cash consideration – On the basis of the share price of \$0.004 on 9 October 2019, these shares have a current value of \$28,000.

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Type of Equity Securities	Convertible redeemable preference shares (the CRPS)
Terms	<p>Each CRPS will be converted into one fully paid ordinary share in the Company on the later of a Spanish Regional Mining Authority for the transfer being obtained and the shares in Eurotin's wholly owned subsidiary Minas De Estaño De España S.L.U. (Mespa) which holds the Oropesa tin project in Spain being transferred to Elementos.</p> <p>No funds were raised from the issue of the CRPS, as they have been issued to Eurotin as consideration for the acquisition of Eurotin's wholly owned subsidiary Mespa, the holder of the Oropesa project.</p> <p>All of the CRPS were distributed through an in-specie distribution to Eurotin shareholders within 10 business days of their issue.</p>
Details of Issue	Issue of CRPS as consideration for the acquisition of the Oropesa tin project.
Issue Date	3 January 2019
Number Issued	1,000,000,000 CRPS
Name of recipient or basis on which recipient determined	Eurotin Inc
Issue price of Equity Securities and Discount to closing market price on the date of issue	<p>CRPS issued as consideration for the acquisition of the Oropesa tin project.</p> <p>Discount = Not applicable</p>
<p>If issue for cash consideration – the total funds received, use of funds and amount remaining;</p> <p>If issue for non-cash consideration – the non-cash consideration paid and current value of non-cash consideration</p>	<p>Cash consideration - Not applicable</p> <p>Non-cash consideration – all of the shares on issue in Mespa. Note that as at the date of this notice, these shares have not yet been transferred to the Company. If the CRPS were to be converted as of 9 October 2019 (based on the current market price of \$0.004), they would have a current value of \$4,000,000.</p>

Directors recommendation

The Directors unanimously recommend that you vote in favour of this Special Resolution 4.

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INTERPRETATION

Advisory Resolution means a Resolution which, the result of voting by Shareholders, does not bind the Company.

Annual General Meeting, AGM or Meeting means the annual general meeting of the Company to be held on 22 November 2019.

Annual Report means the document entitled 'Consolidated Financial Report for the Year Ended 30 June 2019 of the Company announced on 17 September 2019.

Associate has the meaning given to that term in the Listing Rules.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 691 or Australian Securities Exchange (as applicable).

Board means the board of Directors of the Company.

Business Day means a day on which all banks are open for business generally in Brisbane.

Chairperson or Chair means the person chairing the Meeting.

Closely Related Party (as defined in section 9 of the Corporations Act) of a member of the Key Management Personnel for an entity means:

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

Company or Elementos means Elementos Limited ACN 138 468 756.

Constitution means the constitution of the Company from time to time.

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

CRPS means 1,000,000,000 convertible redeemable preference shares issued to Eurotin Inc as consideration for the Company's acquisition of the Oropesa tin project in Spain, approved by Shareholders at the Company's 2018 AGM.

Directors mean the directors of the Company.

Directors' Report means the document dated 17 September 2019 entitled 'Directors' Report' contained within pages 12 to 24 of the Annual Report.

Eligible Entity has the meaning given to that term in the Listing Rules.

Explanatory Memorandum

Employee Share and Option Plan is the employee share and option plan of the Company.

Equity Securities has the meaning given to that term in the Listing Rules.

Explanatory Statement means this explanatory statement accompanying the Notice of Meeting.

Key Management Personnel or **KMP** has the definition given in the accounting standards as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any Director (whether executive or otherwise) of that entity.

Listing Rules means the listing rules of ASX as amended from time to time.

Market Price means the closing market price as that term is defined in the Listing Rules.

Notice of Meeting or **Notice** means the notice of meeting giving notice to shareholders of the Meeting, accompanying this Explanatory Statement.

Options mean options to acquire or subscribe for Shares.

Ordinary Resolution means a resolution passed by more than 50% of the votes cast by members entitled to vote on the Resolution.

Performance Rights means the performance rights issued under the Performance Rights Plan.

Performance Rights Plan means the performance rights plan which was approved at the Annual General Meeting held on 30 November 2018.

Placement Securities means the Equity Securities that may be issued if Resolution 4 is passed, representing up to 10% of the issued capital of the Company (at the time of issue) and calculated in accordance with the formula prescribed in Listing Rule 7.1A.2, over a 12 month period from the date of the Meeting, at a price not less than that determined pursuant to Listing Rule 7.1A.3, and otherwise on the terms and conditions described in the Explanatory Statement.

Remuneration Report means the section of the Directors' Report in the Annual Report dealing with the remuneration of the Company's Directors, Company Secretary and senior executives described as 'Remuneration Report'.

Resolutions means the resolutions proposed to be put to Shareholders at the Annual General Meeting and **Resolution** shall have a corresponding meaning.

Securities has the meaning in section 92(1) of the Corporations Act.

Shareholder means a holder of ordinary shares in the Company.

Shares means ordinary fully paid shares in the issued capital of the Company.

Special Resolution means a resolution:

- (a) of which notice has been given as set out in paragraph 249L(1)(c) of the Corporations Act; and
- (b) passed by at least 75% of the votes cast by members entitled to vote on the Resolution.

Trading Day has the meaning given to that term in the Listing Rules.

Explanatory Memorandum

VWAP means the volume weighted average market price of the Shares.

Any inquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to Duncan Cornish (Company Secretary):

Phone: +61 7 3212 6299

Email: admin@elementos.com.au

Proxy, Representative and Voting Entitlement Instructions

Proxies and representatives

Shareholders are entitled to appoint a proxy to attend and vote on their behalf. Where a shareholder is entitled to cast two or more votes at the meeting, they may appoint two proxies. Where more than one proxy is appointed, each proxy may be appointed to represent a specific proportion or number of votes the shareholder may exercise. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes. The proxy may, but need not, be a Shareholder of the Company.

Shareholders who are a body corporate are able to appoint representatives to attend and vote at the meeting under section 250D of the Corporations Act.

The proxy form must be signed by the Shareholder or his/her attorney duly authorised in writing or, if the shareholder is a corporation, in a manner permitted by the Corporations Act. The proxy form (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 **deposited at, posted to, or sent by facsimile transmission to the address listed below**, not less than 48 hours before the time for holding the meeting, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

ONLINE https://www.votingonline.com.au/elementosagm2019	BY FAX +61 2 9290 9655
BY MAIL Elementos Limited C/- Boardroom Pty Limited GPO Box 3993 Sydney NSW 2001 Australia	ALL ENQUIRIES TO Telephone: +61 1300 737 760 (within Australia) +61 2 9290 8600 (outside Australia)

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's share registry.

A proxy form is attached to this Notice.

Voting entitlement

For the purposes of determining voting entitlements at the Meeting, Shares will be taken to be held by the persons who are registered as holding the Shares at 7.00pm (AEDT) on 20 November 2019. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Signing instructions

You must sign the proxy 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, all of the security holders should sign.
Power of Attorney:	To sign under Power of Attorney, you must have already lodged this document 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) 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.

All Correspondence to:

- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia
- 📠 **By Fax:** +61 2 9290 9655
- 💻 **Online:** www.boardroomlimited.com.au
- ☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10:00am (Brisbane time) on Wednesday 20 November 2019.**

🖥 TO VOTE ONLINE

- STEP 1: VISIT** <https://www.votingonline.com.au/elementosagm2019>
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**

📱 BY SMARTPHONE



Scan QR Code using smartphone QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

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

Appointment of a Second Proxy

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

To appoint a second proxy you must:

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

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

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

Proxy which is a Body Corporate

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

STEP 3 SIGN THE FORM

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

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

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

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

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

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **10:00am (Brisbane time) on Wednesday 20 November 2019.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

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

- 💻 **Online** <https://www.votingonline.com.au/elementosagm2019>
- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia
- 👤 **In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

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

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

Please note, you cannot change ownership of your securities using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

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

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

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at **Level 7, 1 Eagle Street, Brisbane QLD 4000 on Friday, 22 November 2019 at 10.00am (Brisbane time)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

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

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

STEP 2 VOTING DIRECTIONS
 * If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr Andrew Greig as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Mr Christopher Dunks as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval to issue an additional 10% of the issued capital of the Company over a 12 month period pursuant to Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SECURITYHOLDERS
 This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2019