
BALAMARA RESOURCES LIMITED
ACN 061 219 985
NOTICE OF ANNUAL GENERAL MEETING

TIME: 3:00 pm (WST)
DATE: 31 January 2018
PLACE: Board Room
Level 2
100 Railway Road
Subiaco, Western Australia

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9367 8133.

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IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 3.00pm (WST) on 31 January 2018, at:

Board Room
Level 2
100 Railway Road
Subiaco Western Australia

YOUR VOTE IS IMPORTANT

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

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 3:00pm (WST) on 29 January 2018.

VOTING IN PERSON

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

VOTING BY PROXY

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

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

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

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

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

Further details on these changes are set out below.

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:**

- 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); and
- 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; and
- 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
- 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).

Transfer of non-chair proxy to chair in certain circumstances

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

- 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; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - 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.

BUSINESS OF THE MEETING

AGENDA

ORDINARY BUSINESS

Financial Statements and Reports

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

1. RESOLUTION 1 – RE-ELECTION OF DIRECTOR – MR MIKE RALSTON

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

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

2. RESOLUTION 2 – APPOINTMENT OF AUDITOR

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

“That, subject to the consent of the Australian Securities & Investments Commission to the current auditor resigning, Greenwich & Co Audit Pty Ltd having consented in writing and been duly nominated in accordance with Section 328B(1) Corporations Act, be appointed as auditor of the Company.”

See the attached Explanatory Statement for details regarding the resignation of BDO and the appointment of Greenwich & Co.

DATED: 4 JANUARY 2018

BY ORDER OF THE BOARD

**MATHEW SMITH
COMPANY SECRETARY**

EXPLANATORY STATEMENT

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

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2017 together with the declaration of the directors, the directors' report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.balamara.com.au.

2. RESOLUTION 1 – RE-ELECTION OF DIRECTOR – MR MIKE RALSTON

Clause 13.2 of the Constitution requires that at each of the Company's annual general meetings, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded upwards in case of doubt), shall retire from office, provided always that no Director except a Managing Director shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself for re-election.

The Directors to retire at an annual general meeting other than the first annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

A retiring Director is eligible for re-election. An election of Directors shall take place each year.

The Company currently has 3 Directors and accordingly at least 1 must retire.

Mr Mike Ralston, the Director longest in office since his last election, retires by rotation and seeks re-election.

The Directors comprising Mr Lenartowicz, Mr Ralston and Mr Hale recommend that Shareholders vote in favour of this resolution.

3. RESOLUTION 2 – APPOINTMENT OF AUDITOR

BDO has been the auditor of the Company since the 2012 financial year. The Board has been satisfied with the services of BDO as Company auditor and thanks BDO for their services provided as auditor of the Company. However, given the period of time that BDO has acted as the Company's auditor and the size of the Company, the Audit Committee has reviewed the role of auditor and considers that in accordance with good governance practice, it is appropriate that the Company's auditor changes. As a consequence, the Company has requested BDO apply to ASIC under subsection 329(5) Corporations Act for consent to resign as auditor of the Company with effect from the end of the Annual General Meeting. If ASIC notifies BDO that they consent to BDO's resignation, BDO will give its notice of resignation to the Company with effect from the end of the Annual General Meeting.

The Company has received a notice from Derek Lenartowicz being a Director, nominating Greenwich & Co. as the new auditor of the Company. In accordance with section 328B Corporations Act, a copy of the notice of nomination of Greenwich & Co. received by the Company from Mr Lenartowicz is attached as Annexure A.

Greenwich & Co. has consented in writing to act as auditor of the Company. Greenwich & Co. does not provide any services to the Company and the Company confirms that it is unaware of any matter or circumstances that would give rise to a 'conflict of interest situation', as defined in section 324CD Corporations Act, in relation to the Company.

The Audit Committee has also noted that Greenwich & Co. is registered as an auditor under section 1280 Corporations Act and is a well-established firm with the necessary expertise in auditing and has the resources to meet the Company's requirements. Consequently, subject to the Company receiving all necessary approvals from ASIC and shareholder approval at the Annual General Meeting, Greenwich & Co. has been nominated and selected to become the new auditor of the Company.

The Corporations Act requires that shareholders approve the appointment of the new auditor.

A nomination from a shareholder to appoint Greenwich & Co. has been received and is incorporated in these meeting materials below.

Subject to ASIC consenting to BDO's resignation as the Company's auditor, the Directors unanimously recommend that Shareholders vote in favour of this resolution to appoint Greenwich & Co. as the Company's auditor. If ASIC does not consent to BDO's resignation as the Company's auditor, BDO will continue as the Company's auditor and Resolution 2 will not be put to the Meeting.

4. ENQUIRIES

Shareholders are requested to contact the Company Secretary, Mathew Smith, on +61 8 9367 8133 if they have any queries in respect of the matters set out in this document.

GLOSSARY

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

Board means the current board of directors of the Company.

Chair means the chair of the Meeting.

Company means Balamara Resources Limited (ACN 061 219 985).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Proxy Form means the proxy form accompanying the Notice.

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

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

Shareholder means a holder of a Share.

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

NOMINATION OF AUDITOR

30 November 2017
Balamara Resources Limited
The Company Secretary
100 Railway Road
Subiaco 6008 WA

Dear Sir

Nomination of Greenwich & Co Audit Pty Ltd as Auditor of Balamara Resources Limited.

I, Derek Lenartowicz , being a shareholder of Balamara Resources Limited, hereby nominate Greenwich & Co Audit Pty Ltd of Level 2, 35 Outram Street, West Perth, Western Australia 6005 for appointment as auditor of Balamara Resources Limited at its 2017 Annual General Meeting.

I consent to the distribution of a copy of this notice of nomination as an annexure to the Notice of Meeting and Explanatory Statement for the 2017 Annual General Meeting of Balamara Resources Limited as required by section 328B (3) of the Corporations Act 2001.

Signed



Derek Lenartowicz

PROXY FORM

**APPOINTMENT OF PROXY
BALAMARA RESOURCES LIMITED
ACN 061 219 985**

ANNUAL GENERAL MEETING

I/We

of

being a member of Balamara Resources Limited entitled to attend and vote at the Annual General Meeting, hereby

Appoint

Name of Proxy

OR the Chair of the Annual General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the Annual General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Annual General Meeting to be held at 3:00pm (WST), on 31 January 2018 at the Company's registered office, 100 Railway Road, Subiaco Western Australia, and at any adjournment thereof.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

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

Voting on Business of the Annual General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Re-election of Director – Mr Mike Ralston	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Change of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: _____ %

Signature of Shareholder(s):

Date: _____

Individual or Shareholder 1

Shareholder 2

Shareholder 3

Sole Director/Company Secretary

Director

Director/Company Secretary

Contact Name: _____ **Contact Ph (daytime):** _____

INSTRUCTIONS FOR COMPLETING 'APPOINTMENT OF PROXY' FORM

1. **(Appointing a Proxy):** A Shareholder entitled to attend and cast a vote at an Annual General Meeting is entitled to appoint a proxy to attend and vote on their behalf at the meeting. If the Shareholder is entitled to cast 2 or more votes at the meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the meeting. However, where both proxies attend the meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder of the Company.
2. **(Direction to Vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing Instructions):**
 - **(Individual):** Where the holding is in one name, the Shareholder must sign.
 - **(Joint Holding):** Where the holding is in more than one name, all of the Shareholders should sign.
 - **(Power of Attorney):** If you have not already provided the Power of Attorney with the registry, 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, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Annual General Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Annual General Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Balamara Resources Limited, PO Box 222, Subiaco WA 6904; or
 - (b) email to the Company at enquiries@balamara.com.au,so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy forms received later than this time will be invalid.