



Notice of Annual General Meeting and Explanatory Notes

The annual general meeting will be held at the offices
of Castle Minerals Limited located at
Suite 2, 11 Ventnor Ave, West Perth WA 6005
on Thursday, 14 November 2019 at 9.00am (WST).

You can vote by:

Attending and voting at the Meeting; or

Appointing someone as your proxy to attend and vote at the Meeting on your behalf, by completing and returning the proxy form to Castle Minerals Ltd in the manner set out in the proxy form. The proxy form must be received by the Company no later than 9.00am (WST) on Tuesday 12 November 2019.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of shareholders of Castle Minerals Limited (the "Company") will be held at 9.00am (WST) on Thursday 14 November 2019 at the Company's office located at Suite 2, 11 Ventnor Ave, West Perth WA 6005.

Items of business

Annual Report

To receive and consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2019, which includes the Financial Report, the Directors' Report and the Auditor's Report.

Resolution 1 - Adoption of Remuneration Report

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

"That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2019."

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

Resolution 2 - Re-election of Director – James Guy

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

"That, for the purpose of clause 11.12 of the Constitution and for all other purposes, James Guy, a Director, retires, and being eligible, is re-elected as a Director."

Resolution 3 - Re-election of Director – Michael Atkins

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

"That, for the purpose of clause 11.3 of the Constitution and for all other purposes, Michael Atkins, a Director, retires, and being eligible, is re-elected as a Director."

Resolution 4: Issue of Shares in lieu of Director's Fees - Michael Atkins

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

"That, for the purposes of ASX Listing Rule 10.11, sections 195(4) and 208 of the Corporations Act and for all other purposes, approval is given for the Company to issue 3,406,873 fully paid ordinary shares in the Company to Mr Michael Atkins (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Resolution 5: Issue of Shares in lieu of Director's Fees - Stephen Stone

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

"That, for the purposes of ASX Listing Rule 10.11, sections 195(4) and 208 of the Corporations Act and for all other purposes, approval is given for the Company to issue 8,259,434 fully paid ordinary shares

in the Company to Mr Stephen Stone (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Resolution 6: Issue of Shares in lieu of Director’s Fees – James Guy

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

“That, for the purposes of ASX Listing Rule 10.11, section 195(4) and 208 of the Corporations Act and for all other purposes, approval is given for the Company to issue 1,768,990 fully paid ordinary shares in the Company to Mr James Guy (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Resolution 7: Approval of 10% Placement Capacity

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

“That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the Shares on issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.”

Resolution 8: Insertion of Proportional Takeover Approval Provisions

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

“That for the purpose of section 136(2) of the Corporations Act and for all other purposes, the Company amend its constitution by inserting clause 3.20 which contains proportional takeover approval provisions for the purposes of section 648D of the Corporations Act 2001 (Cth), as further detailed in the Explanatory Statement.”

Resolution 9: Amendment to Company’s Constitution – Restricted Securities

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

“That for the purpose of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to amend its existing Constitution to incorporate additional provisions relating to restricted securities as further detailed in the Explanatory Statement.”

Dated: 15 October 2019

By order of the Board


Jade Styants
Company Secretary

VOTING EXCLUSIONS

The Company will disregard any votes cast in favour of this resolution by or on behalf of any person specified below in relation to that resolution and an associate of any such person when determining the result of the resolution except where the vote is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form or it is cast by the Chairman as a proxy for a person who is entitled to vote in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 1:

In accordance with section 250R of the Corporations Act, a vote in favour of this Resolution must not be cast by, or on behalf of, a member of the Key Management Personnel whose remuneration details are included in the remuneration report, or a Closely Related Party of such member. However, a vote may be cast by such person if:

- a) the person is acting as proxy and the proxy form specifies how the proxy is to vote, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or
- b) the person is the Chair voting an undirected proxy which expressly authorises the Chair to vote the proxy on a resolution connected with the remuneration of a member of the Key Management Personnel.

Resolution 4:

The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of Mr Michael Atkins (or his nominee) or any of his associates respectively. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the Chairman 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.

Further, a member of the Key Management Personnel and their Closely Related Parties cannot cast a vote as a proxy for a Shareholder entitled to vote on this Resolution if the proxy is not directed how to vote, unless the proxy is the Chairman of the Meeting and the Chairman has received express authority to exercise the proxy, even though it is connected directly or indirectly with remuneration of the Key Management Personnel.

Resolution 5:

The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of Mr Stephen Stone (or his nominee) or any of his associates respectively. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the Chairman 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.

Further, a member of the Key Management Personnel and their Closely Related Parties cannot cast a vote as a proxy for a Shareholder entitled to vote on this Resolution if the proxy is not directed how to vote, unless the proxy is the Chairman of the Meeting and the Chairman has received express authority to exercise the proxy, even though it is connected directly or indirectly with remuneration of the Key Management Personnel.

Resolution 6:

The Company will disregard any votes cast in favour of Resolution 6 by Mr James Guy (or his nominee) or any of his associates respectively. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the Chairman 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.

Further, a member of the Key Management Personnel and their Closely Related Parties cannot cast a vote as a proxy for a Shareholder entitled to vote on this Resolution if the proxy is not directed how to vote, unless the proxy is the Chairman of the Meeting and the Chairman has received express authority to exercise the proxy, even though it is connected directly or indirectly with remuneration of the Key Management Personnel.

Resolution 7:

The Company will disregard any votes cast in favour of Resolution 7 by any person who is expected to participate in the issue of Equity Securities under this Resolution and a person who will obtain a material benefit as a result of the proposed issue, except a benefit solely in the capacity of a holder of ordinary securities in the Company, or any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

PROXY AND VOTING INSTRUCTIONS

A shareholder entitled to attend and vote at the Meeting may appoint one or two proxies to attend and vote on their behalf. Each proxy will have the right to vote on a poll and also to speak at the Meeting. A proxy need not be a member of the Company and a proxy can be either an individual or a body corporate.

The appointment of a proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (i.e. where there are two proxies, each proxy may exercise half the votes).

If a proxy is not directed how to vote on an item of business, the proxy may vote or abstain from voting on that resolution as they think fit.

If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the shareholder's behalf on the poll and the shares that are the subject of the proxy appointment will not be counted in calculating the required majority.

Shareholders who return their proxy forms with a direction on how to vote but do not nominate the identity of their proxy will be taken to have appointed the Chairman of the Meeting as their proxy to vote on their behalf.

If a proxy form is returned but the nominated proxy does not attend the meeting, or does not vote on the resolution, the Chairman of the Meeting will act in place of the nominated proxy and vote in accordance with any instructions.

Proxy appointments in favour of the Chairman of the Meeting, the secretary or any Director that do not contain a direction on how to vote will be used where possible to support each of the resolutions proposed in this Notice of General Meeting.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy which appears on its face to be an authentic copy of the proxy form (and the power of

attorney or other authority) must be, not less than 48 hours before the time for holding the Meeting (being, **9.00am (WST) on 12 November 2019**), or adjourned Meeting as the case may be, at which the individual named in the proxy form proposes to vote, returned to the Company Secretary as follows:

By mail to: PO Box 437, West Perth WA 6872

Hand delivered to: Suite 2, 11 Ventnor Ave, West Perth WA 6005

Emailed to: styants@castleminerals.com

The proxy form must be signed by the member or his/her attorney duly authorised in writing or, if the member is a corporation, in a manner permitted by the Corporations Act 2001. A proxy given by a foreign corporation must be executed in accordance with the laws of that corporation's place of incorporation.

A proxy form accompanies this Notice of General Meeting.

Corporate Representatives

Any corporation that is a shareholder of the Company may authorise (by a form of execution authorised by the laws of that corporation's place of incorporation, or in any other manner satisfactory to the Chairman) a natural person to act as its representative at any general meeting.

Voting Entitlement

The Company has determined that for the purposes of the Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 4.00 pm (WST) on 12 November 2019. Accordingly, transfers registered after that time will be disregarded in determining entitlements to attend and vote at the General Meeting.

Chair's voting intentions

The Chair of the meeting intends to vote undirected proxies in favour of each Resolution.

EXPLANATORY STATEMENT

ANNUAL REPORT

There is no requirement for Shareholders to approve the Annual Report. Shareholders will be offered the following opportunities:

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

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the preparation and the content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office and will be answered at the Meeting.

RESOLUTION 1 - REMUNERATION REPORT

Section 250R(2) of the Corporations Act provides that the Company is required to put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

Section 250R(3) of the Corporations Act provides that Resolution 1 is advisory only and does not bind the Directors or the Company. However, the Directors will take into account Shareholders views on this Resolution when planning the Company's remuneration policies going forward.

However, the Corporations Act was amended in 2011 by the *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011* (**Director and Executive Remuneration Act**).

The Director and Executive Remuneration Act introduced new sections 250U and 250Y, amongst others, into the Corporations Act, giving Shareholders the opportunity to remove the Board if the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings (**Two Strikes Rule**).

Under the Two Strikes Rule, where a resolution on the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

In summary, if the Remuneration Report receives a 'no' vote of 25% or more at this Meeting, Shareholders should be aware that if there is a 'no' vote of 25% or more at the next annual general meeting the consequences are that it may result in the re-election of the Board.

The Chairman will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

The Chairman intends to exercise all undirected proxies in favour of Resolution 1. If the Chairman of the Meeting is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the Proxy Form, the Shareholder is considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention.

The Directors recommend that Shareholders vote in favour of Resolution 1.

RESOLUTION 2: RE-ELECTION OF JAMES GUY

Mr James Guy was appointed by the Company on 28 March 2019. Pursuant to clause 11.12 of the Company's Constitution, a Director appointed by the Company pursuant to clause 11.11 holds office until the next annual general meeting and is eligible for re-election.

Resolution 2 seeks approval for the re-election of Mr James Guy, who will cease to hold office at the annual general meeting and offer himself for re-election. Mr James Guy's details are set out in the Annual Report.

The Directors (other than Mr James Guy) recommend that Shareholders vote in favour of Resolution 2.

RESOLUTION 3: RE-ELECTION OF MICHAEL ATKINS

Listing Rule 14.4 and clause 11.3 of the Constitution requires that at the Company's annual general meeting in every year, 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, 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 or herself for re-election.

The Directors to retire at an 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 Director who retires by rotation under clause 11.3 of the Constitution is eligible for re-election.

The Company currently has three (3) Directors, including one (1) Managing Director, and accordingly one (1) director must retire.

Mr Michael Atkins retires by rotation and seeks re-election. Mr Michael Atkins' details are set out in the Annual Report.

The Directors (other than Mr Michael Atkins) recommend that Shareholders vote in favour of Resolution 3.

RESOLUTIONS 4, 5 AND 6: ISSUE OF SHARES IN LIEU OF DIRECTORS' FEES

Resolutions 4, 5 and 6 seek Shareholder approval for the issue of Shares to the Directors (or their nominees) in lieu of Directors' fees for the period from 1 January to 30 September 2019, to conserve cash in the Company.

Details of the Directors remuneration is set out in the Annual Report. In order to preserve the Company's cash, the Directors' have agreed, subject to Shareholder approval, to receive their net fees in Shares in the Company in lieu of cash.

The issue price of the Shares is calculated by reference to the monthly VWAP for the month that the fees accrued. If Shareholders do not approve the issue of Shares, the remuneration will be paid in cash.

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

(a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and

(b) give the benefit within 15 months following such approval,

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

The issue of Shares to Directors pursuant to Resolutions 4 to 6 constitutes giving a financial benefit, and Mr Michael Atkins, Mr Stephen Stone and Mr James Guy are related parties of the Company by virtue of being Directors.

In addition, ASX 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 ASX Listing Rule 10.12 applies.

As it is proposed that Shares be issued to all Directors, the Directors have been unable to form quorum to consider whether one of the exceptions set out in sections 210 to 216 of the Corporations Act or ASX Listing Rule 10.12 applies to these issues. Accordingly, Shareholder approval is sought for the issue of Shares to the Directors.

The following information is provided in relation to Resolutions 4 to 6:

1. the related parties are Mr Michael Atkins, Mr Stephen Stone and Mr James Guy and they are related parties by virtue of being Directors;
2. the remuneration and emoluments from the Company to the Directors for the current and the previous financial year are set out below:

Director	Director Fees (1) Year Ended 30 June 2019	Director Net Fees 1 January to 30 September 2019	Director Fees (1) Year Ended 30 June 2018
Michael Atkins	\$45,659	\$24,068	\$43,981
Stephen Stone	\$118,693	\$58,348	\$114,067
James Guy	\$8,335	\$11,840	-

(1) Annual Directors' salary excluding superannuation.

3. the maximum number of Shares (being the nature of the financial benefit being provided) to be issued to the Directors (or their respective nominees) is set out in the table below:

	Director Net Fee 1 January to 30 September 2019	Shares
Michael Atkins	\$24,068	3,406,873
Stephen Stone	\$58,348	8,259,434
James Guy	\$11,840	1,768,990

4. the relevant interests of the Directors in securities of the Company (as at the date of this Notice) is set out below :

Director	Shareholding on date of this Notice of Meeting	Maximum Shares to be issued subject to Resolutions 4, 5 and 6	Shareholding assuming approval of Resolutions 4, 5 and 6	% Shareholding assuming approval of Resolutions 4, 6 and 6
Michael Atkins (1)	9,356,665	3,406,873	12,763,538	5.38%
Stephen Stone (2)	23,202,193	8,259,434	31,461,627	13.26%
James Guy	300,000	1,768,990	2,068,990	0.87%

(1) In addition, Mr Michael Atkins holds an interest in 2,000,000 Options exercisable at \$0.03 each on or before 30 November 2019.

(2) In addition, Mr Stephen Stone holds an interest in 2,000,000 Options exercisable at \$0.03 each on or before 30 November 2019.

5. the Shares will be issued to the Directors no later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Shares will be issued on one date;
6. the Shares will be issued for no cash consideration, rather the Shares are being issued in lieu of the following fees owing to the Directors:

- (a) Michael Atkins: \$24,068;
- (b) Stephen Stone: \$58,348; and
- (c) James Guy: \$11,840;
7. the Shares issued 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;
8. based on the most recent closing price of the Company's Shares on ASX, being \$0.009 on 14 October 2019, the value of the Shares to be issued to each Director is as follows:
- (a) Michael Atkins: \$30,662
- (b) Stephen Stone: \$74,335; and
- (c) James Guy: \$15,921;
9. if Resolutions 4 to 6 are passed, a total of 13,435,297 Shares would be issued. This will increase the number of Shares currently on issue from 223,795,976 to 237,231,273 assuming that no other Shares are issued, with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 5.66%, comprising 1.44% by Mr Michael Atkins, 3.48% by Mr Stephen Stone and 0.74% by Mr James Guy;
10. the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	\$0.015	14/08/2019
Lowest	\$0.005	13/05/19, 13/06/19 -24/06/19, 28/06/19 - 19/07/19, 30/07/19
Last	\$0.009	14/10/2019

11. the primary purpose of the issue of Shares to the Directors is to preserve cash resources of the Company. No funds will be raised from this Share issue;
12. each Director declines to make a recommendation to Shareholders in relation to Resolutions 4, 5 and 6 due to his material personal interest in the outcome of the Resolutions on the basis that each Director is to be issued Shares should Resolutions 4, 5 and 6 be passed; and
13. the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 4, 5 and 6.

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of Shares as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares to the Directors (or their nominee) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

RESOLUTION 7

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital at the time of the issue over a period up to 12 months after the annual general meeting (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 7, 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 ASX Listing Rule 7.1A.2 (as set out below).

The effect of Resolution 7 will be to allow the Directors to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue at the time of the issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing.

If and when the Company does utilise the 10% Placement Facility within the 12 months following the Meeting, assuming Resolution 7 is passed, the Company will be required to give ASX details of who the allottees are and how many Equity Securities they each received. In addition, the Company will be required to release by way of ASX announcement the information set out in Listing Rule 3.10.5A, namely:

- (d) details about the dilution to the existing Shareholders caused by the issue of Equity Securities under the Special Placement Facility;
- (e) if cash is raised, an explanation why a pro rata issue or other type of issue allowing existing shareholders to participate was not adopted instead of or as well as using the 10% Placement Facility;
- (f) details about any underwriting and underwriting fees paid, and
- (g) details about any other fees or costs incurred in connection with the issue of Equity Securities under the 10% Placement Facility.

The Directors of the Company believe that Resolution 7 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

Resolution 7 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 7 for it to be passed.

ASX Listing Rule 7.1A

ASX Listing Rule 7.1A came into effect on 1 August 2012 and 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.

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

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

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 approximately \$2 million.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has one class of Equity Securities on issue, being the Shares (ASX Code: CDT).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

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

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
- (a) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
 - (b) plus the number of partly paid shares that became fully paid in the previous 12 months;
 - (c) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under this rule; and
 - (d) less the number of Shares cancelled in the previous 12 months.
- D** is 10%.
- E** is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to Resolution 7:

(a) Minimum Price

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

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in Section 7.3(a)(i), the date on which the Equity Securities are issued.

(b) Date of Issue

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

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

(10% Placement Capacity Period).

(c) Risk of voting dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue. If Resolution 7 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.

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

Number of Shares on Issue	Dilution			
	Issue Price (per Share)	\$0.0045 50% decrease in Issue Price	\$0.0090 Current Issue Price	\$0.0135 50% increase in Issue Price
223,795,976 (Current)	Shares issued	22,379,598 Shares	22,379,598 Shares	22,379,598 Shares
	Funds raised	\$100,708	\$201,416	\$302,125
335,693,964 (50% increase)	Shares issued	33,569,396 Shares	33,569,396 Shares	33,569,396 Shares
	Funds raised	\$151,062	\$302,125	\$453,187
447,591,952 (100% increase)	Shares issued	44,759,195 Shares	44,759,195 Shares	44,759,195 Shares
	Funds raised	\$201,416	\$402,883	\$604,249

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

The table above uses the following assumptions:

1. The current shares on issue are the Shares on issue as at 14 October 2019.
2. The issue price set out above is the closing price of the Shares on the ASX on 14 October 2019.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. 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.
5. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.

Shareholders should note that there is a risk that:

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

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

(d) Purpose of Issue under 10% Placement Capacity

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

- (i) as cash consideration in which case the Company intends to use funds raised to continue exploration and/ or to meet administration costs; or
- (ii) as non-cash consideration for acquisitions. In such circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3. However, from 1 December 2019, changes to the ASX Listing Rules will mean that the Company will not be able to issue Equity Securities under the 10% Placement Capacity as non-cash consideration.

(e) Allocation policy under the 10% Placement Capacity

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s).

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

The Company will determine the 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 Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

(f) Previous Approval under ASX Listing Rule 7.1A

The Company has previously obtained Shareholder approval under ASX listing Rule 7.1A at its annual general meeting held on 16 November 2018.

In accordance with Listing Rule 7.3 A.6 the total number of Equity Securities issued in the 12 months preceding the date of this Meeting is nil.

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

RESOLUTION 8: PROPORTIONAL TAKEOVER APPROVAL CONDITIONS

Under the Corporations Act, a company may include provisions in its constitution to enable it to refuse to register shares acquired under a proportional takeover bid unless a resolution approving the bid is passed by the shareholders.

Proportional takeover approval provisions are not included in the Company's existing Constitution. It is proposed that, subject to Shareholder approval by way of a special resolution, a new clause 26 is inserted into the Constitution as follows.

PART 26. Proportional takeover approval provisions

Interpretation

26.1 In this Clause 26:

- (a) **Associate** in relation to another person has the meaning given to that term in the Corporations Act for the purposes of subdivision C of Chapter 6.5 of the Corporations Act;
- (b) **Bidder** means a person making an offer for Shares under a Proportional Bid;
- (c) **Proportional Bid** means a proportional takeover bid as defined in section 9 of the Corporations Act; and
- (d) **Relevant Day**, in relation to a Proportional Bid, means the day that is 14 days before the last day of the bid period.

Transfers prohibited without approval

26.2 Where a Proportional Bid in respect of shares included in a class of shares in the Company has been made:

- (a) the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under the Proportional Bid is prohibited unless and until a resolution (Approving Resolution) to approve the Proportional Bid is passed, or is deemed to have been passed, in accordance with subdivision C of Chapter 6.5 of the Corporations Act;
- (b) a Member (other than the Bidder or an Associate of the Bidder) who, as at the end of the day on which the first offer under the Proportional Bid was made, held shares included in the bid class is entitled to vote on an Approving Resolution and, for the purposes of so voting, is entitled to 1 vote for each such share;
- (c) neither the Bidder nor an Associate of the Bidder may vote on an Approving Resolution;
- (d) an Approving Resolution must be voted on at a meeting of the Members entitled to vote on the resolution which has been convened and conducted by the Company; and
- (e) an Approving Resolution is passed if more than 50% of the votes cast on the resolution by Members present and entitled to vote on the resolution are in favour of the resolution.

Meetings

- 26.3 (a) The provisions of this Constitution relating to a general meeting of the Company apply, with such modifications as the circumstances require, in relation to a meeting that is convened for the purposes of this Clause 26.
- (b) The Directors of the Company must ensure that the Approving Resolution is voted on in accordance with this clause before the Relevant Day.
- (c) Where an Approving Resolution is voted on in accordance with this clause, then before the Relevant Day, the Company must:
- (i) give to the Bidder; and
 - (ii) serve on ASX,
a written notice stating that a resolution to approve the Proportional Bid has been voted on and that the resolution has been passed or has been rejected, as the case requires.

Deemed approval

- 26.4 Where, as at the end of the day before the Relevant Day in relation to a Proportional Bid, no Approving Resolution to approve the Proportional Bid has been voted on in accordance with this clause, an Approving Resolution to approve the Proportional Bid is, for the purposes of this clause, deemed to have been passed under this clause 26.

Proportional Bid rejected

- 26.5 Where an Approving Resolution is voted on and is rejected then:
- (a) despite section 652A of the Corporations Act, all offers under the Proportional Bid that have not, as at the end of the Relevant Day, resulted in binding contracts are deemed to be withdrawn at the end of the Relevant Day;
 - (b) the Bidder must immediately, after the end of the Relevant Day, return to each Member any documents that were sent by the Member to the Bidder with the acceptance of the offer;
 - (c) the Bidder may rescind and must, as soon as practicable after the end of the Relevant Day, rescind each contract resulting from the acceptance of an offer made under the Proportional Bid; and
 - (d) a Member who has accepted an offer made under the Proportional Bid is entitled to rescind the contract (if any) resulting from that acceptance.

Duration of clause

- 26.6 This clause 26 ceases to have effect on the later to occur of:
- (a) the third anniversary of its adoption; or
 - (b) the third anniversary of its most recent renewal effected under the Corporations Act.

If the insertion of the proportional takeover approval provisions is approved, these provisions will have effect for 3 years.

The Board considers it in the interests of shareholders to insert these provisions into the Constitution.

Where the approval of shareholders is sought to insert proportional takeover provisions in a constitution, the Corporations Act requires certain information to be included in the notice of meeting. That information is set out below.

Proportional Takeover Bid

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

Effect of the Provisions Proposed to be Inserted

If a proportional takeover bid is made, the Directors must ensure that a resolution of shareholders to approve the takeover bid is voted on, in general, more than 14 days before the last day of the bid period.

The vote is decided on a simple majority and each person (other than the bidder and their associates) who, as at the end of the day on which the first offer under the bid was made, held bid class securities, is entitled to vote.

If the resolution is not passed, transfers giving effect to takeover contracts for the bid will not be registered and the offer will be taken to have been withdrawn. If the resolution is not voted on, the bid will be taken to have been approved. If the bid is approved (or taken to have been approved), the transfers must be registered (provided they comply with other provisions of the Corporations Act and the Constitution).

The proportional takeover approval provisions do not apply to full takeover bids and will only apply until 3 years after the date of adoption. The provisions may be renewed for a further term, but only by a special resolution of shareholders.

Reasons for the Proposal

The Board considers that shareholders should have the opportunity to adopt the proportional takeover approval provisions. Without these provisions, a bidder might be able to obtain control of the Company using a proportional takeover bid without shareholders having the opportunity to sell all their shares, potentially leaving existing shareholders locked into a minority position in the Company. The proportional takeover approval provisions give shareholders the opportunity to decide whether a proportional takeover bid should proceed. If it does proceed, individual shareholders can make a separate decision as to whether they wish to accept the proportional offer for their shares.

Knowledge of any Acquisition Proposals

As at the date of this Notice of Meeting, none of the directors are aware of any proposal by a person to acquire, or to increase the extent of, a substantial interest in the Company.

Potential Advantages and Disadvantages

Potential advantages

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

- a) shareholders have the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- b) they may help shareholders to avoid being locked in as a minority;

- c) they increase shareholders' bargaining power and may assist in ensuring that any proportional takeover bid is adequately priced; and
- d) knowing the view of the majority of shareholders may help each individual shareholder assess the likely outcome of the proportional takeover bid and decide whether to accept or reject an offer under the bid.

Potential disadvantages

It may be argued that the proportional takeover approval provisions make a proportional takeover bid more difficult to achieve which may have the effect of discouraging proportional takeover bids. This in turn may possibly reduce opportunities for shareholders to sell some of their shares at an attractive price to persons seeking to secure control of the Company and may reduce an element of takeover speculation from the Company's share price, although this effect may be negligible as proportional takeover bids are less common today than they have been in the past. It may also be argued that the provisions constitute a potential restriction on the ability of shareholders to deal freely with their shares.

Since the existing Constitution was adopted, there have been no full or proportional takeover bids for the Company. Therefore there has been no example against which to review the advantages or disadvantages of the provisions for the Board and shareholders respectively, however, the Board is not aware of any potential takeover bid that was discouraged by these provisions.

The Board does not believe the potential disadvantages outweigh the potential advantages of re-adopting the proportional takeover approval provisions in the Constitution. Re-adopting the proportional takeover approval provisions in the Constitution will not confer any particular advantages or disadvantages on the Directors in their capacity as Directors of the Company.

The Directors therefore consider that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

A copy of the Constitution with the amendments proposed will be made available for review by Shareholders at the office of the Company. A copy will be available for inspection at the Meeting.

The Directors recommend that shareholders vote in favour of Resolution 8.

RESOLUTION 9: AMENDMENT TO COMPANY'S CONSTITUTION - RESTRICTED SECURITIES

A company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 9 is a special resolution which will enable the Company to amend its existing Constitution to incorporate additional provisions relating to restricted securities. The additional provisions are required to comply with recent amendments to the ASX Listing Rules which take effect on 1 December 2019.

The amendments include the introduction of a two-tier escrow regime where:

- (a) certain more significant holders of restricted securities are required to execute a formal escrow agreement; and
- (b) for less significant holdings, a company can rely on a provision in its constitution imposing appropriate escrow restrictions on the holder of restricted securities.

To facilitate the Company's compliance with the proposed changes to the ASX Listing Rules for its proposed admission to the official list of the ASX, clause 3.19 of the Constitution incorporates amendments to include a statement that relevant holders of restricted securities will be taken to have agreed in writing that the restricted securities will have a holding lock applied for the duration of the escrow period applicable to those securities.

The additional provisions will replace and supersede clause 3.19 of the Constitution. The effect of the amendment is set out below:

Existing Clause	Proposed Amendment
<p>3.19 The Company shall comply in all respects with the requirements of the Listing Rules with respect to Restricted Securities; without limiting the generality of the foregoing:</p> <p>(a) Restricted Securities cannot be disposed of during the escrow period except as permitted by the Listing Rules or the Exchange;</p> <p>(b) the Company will refuse to acknowledge a disposal (including registering a transfer) of Restricted Securities during the escrow period except as permitted by the Listing Rules or the Exchange;</p> <p>(c) during a breach of the Listing Rules relating to Restricted Securities, or a breach of a restriction agreement, the holder of the Restricted Securities is not entitled to any dividend or distribution, or voting rights, in respect of the Restricted Securities.</p>	<p>3.19 The Company must comply with the Listing Rules in respect of Restricted Securities, without limiting the generality of the foregoing:</p> <p>(a) a holder of Restricted Securities must not dispose of, or agree or offer to dispose of, the securities during the escrow period applicable to those securities except as permitted by the Listing Rules or the Exchange;</p> <p>(b) if the securities are in the same class as quoted securities, the holder will be taken to have agreed in writing that the Restricted Securities are to be kept on the entity's issuer sponsored subregister and are to have a holding lock applied for the duration of the escrow period applicable to those securities;</p> <p>(c) the entity will refuse to acknowledge any disposal (including, without limitation, to register any transfer) of Restricted Securities during the escrow period applicable to those securities except as permitted by the Listing Rules or Exchange;</p> <p>(d) a holder of Restricted Securities will not be entitled to participate in any return of capital on those securities during the escrow period applicable to those securities except as permitted by the Listing Rules or Exchange; and</p> <p>(e) if a holder of Restricted Securities breaches a restriction deed or a provision of this Constitution restricting a disposal of those securities, the holder will not be entitled to any dividend or distribution, or to exercise any voting rights, in respect of those securities for so long as the breach continues.</p>

The changes to ASX Listing Rule 15.12 (which are reflected in the above new rule) are proposed to take effect from 1 December 2019 and will apply to restricted securities after that date. Any restricted securities issued before 1 December 2019 must continue to comply with the provisions of Listing Rule 15.12 in force immediately prior to this date.

A copy of the Constitution with the amendments proposed will be made available for review by Shareholders at the office of the Company. A copy will be available for inspection at the Meeting.

The Directors recommend that Shareholders vote in favour of Resolution 9.

GLOSSARY

\$ means Australian dollars.

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

Annual Report means the Company's 2019 annual report lodged with the ASX.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

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

Chairman means the chairman of the Company as defined in the Constitution.

Closely Related Party has the meaning given to that term in the Corporations Act.

Company means Castle Minerals Limited (ACN 116 095 802).

Company Secretary means the company secretary of the Company as defined in the Constitution.

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.

Key Management Personnel has the meaning given to that term in the Accounting Standards.

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.

If no direction is given above or if more than one box is marked, I/we authorise my/our proxy to vote or abstain as my/our proxy thinks fit in respect of the resolutions to be considered by the meeting and any adjournment of the meeting. If you mark the Abstain box you are directing your proxy not to vote on your behalf on a show of hands or a poll and your vote will not be counted in calculating the required majority on a poll.

Step 3: PLEASE SIGN HERE

This section must be signed in accordance with the instructions attached to enable your directions to be implemented.

Individual or Shareholder 1

Sole Director and Sole
Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

NOTES ON PROXY FORM

1. Your Name and Address

Please print your name and address as it appears on your holding statement and the Company's share register. If shares are jointly held, please ensure the name and address of each joint Shareholder is indicated. Shareholders should advise the Share Registry of any changes. Shareholders sponsored by a broker should advise their broker of any changes. **Please note that you cannot change ownership of your securities or update your details using this form.**

2. Appointment of a Proxy

If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name and address of that person in the boxes on the form for that purpose. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the company. A proxy may be an individual or a body corporate.

3. Votes on Items of Business

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

4. Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company or you may copy this form. To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

5. Signing Instructions

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

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either security holder may sign.

Power of Attorney: to sign under Power of Attorney, you should have already lodged the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form should 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.

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.

6. Lodgment of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by 9.00am on 12 November 2019, being not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged by mail, hand, or email at the address set out below:

- (a) by mail: PO Box 437, West Perth WA 6872;
- (b) by hand: Suite 2, 11 Ventnor Ave, West Perth WA 6005; or
- (c) email to the Company Secretary: styants@castleminerals.com