



Aurora Minerals Limited
ABN 46 106 304 787

Notice of Annual General Meeting

TIME: 11.00 am
DATE: 29 November 2016
PLACE: Level 2, 20 Kings Park Road, West Perth, Western
Australia

This Notice of Annual General Meeting should be read in its entirety. If Shareholders are in any doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional advisor prior to voting. Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary, Mr Eric Moore, on +61 8 6143 1840

Notice of Meeting to Shareholders

The Annual General Meeting of Shareholders in Aurora Minerals Limited (**Aurora or the Company**) will be held at the Company's office at Level 2, 20 Kings Park Road, West Perth, Western Australia on Tuesday 29 November 2016 at 11.00 am (WST).

The Explanatory Memorandum that accompanies and forms part of this Notice of Meeting describes in more detail the matters to be considered.

Please note that capitalised terms contained in this Notice of Meeting have the same meaning as set out in Schedule 1 of the Explanatory Memorandum accompanying this Notice of Meeting (unless the context otherwise requires).

1. Financial Report

To receive and consider the Annual Financial Report, director's report and auditor's report for the Company for the year ended 30 June 2016.

2. Resolution 1 - Re-election of Mr Tim Markwell as a director of the Company

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

"That Mr Tim Markwell, a Director of the Company, who retires by rotation in accordance with the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a Director."

3. Resolution 2 - Adoption of Remuneration Report

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

"That Shareholders' adopt the Remuneration Report for the year ended 30 June 2016 as disclosed in the 2016 Annual Report."

Note – the vote on this resolution is advisory only and does not bind the Directors of the Company.

Voting Prohibition Statement: A vote must not be cast on this resolution 2 by Key Management Personnel details of whose remuneration are included in the Remuneration Report, and their Closely Related Parties. The Key Management Personnel of the Company are set out in the Remuneration Report in the 2016 Annual Report of the Company.

However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) The voter is appointed as a proxy in writing that specifies the way the proxy is to vote on the Resolution; or
- (b) The voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on the Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company or, if the Company is part of a consolidated entity, for the entity.

4. Resolution 3 – Grant of Options to Related Party

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

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 900,000 Options to Holihox Pty Ltd (a related party being a company controlled by Director Mr Phillip Jackson) or its nominee, on the terms and conditions set out in the Explanatory Statement."

ASX Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mr Phillip Jackson, Holihox Pty Ltd and any of their associates. 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 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.

Voting Prohibition Statement: A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

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

However, the above prohibition does not apply if:

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

5. Resolution 4 – Grant of Options to Related Party

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

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 3,000,000 Options to Whitby 2009 Pty Ltd (a related party being a company controlled by Director Mr Martin Pyle) or its nominee, on the terms and conditions set out in the Explanatory Statement.”

ASX Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mr Martin Pyle, Whitby 2009 Pty Ltd and any of their associates. 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 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.

Voting Prohibition Statement: A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

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

However, the above prohibition does not apply if:

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

6. Resolution 5 – Grant of Options to Related Party

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

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 600,000 Options to Mr Peter Cordin or his nominee on the terms and conditions set out in the Explanatory Statement.”

ASX Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mr Peter Cordin, his nominee and any of their associates. 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 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.

Voting Prohibition Statement: A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

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

However, the above prohibition does not apply if:

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

7. Resolution 6 – Grant of Options to Related Party

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

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 600,000 Options to Mr Tim Markwell or his nominee on the terms and conditions set out in the Explanatory Statement.”

ASX Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mr Tim Markwell, his nominee and any of their associates. 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 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.

Voting Prohibition Statement: A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

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

However, the above prohibition does not apply if:

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

8. Resolution 7– Grant of options to Related Party

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

“That, for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, approval is given for the Company to issue 3,000,000 Options to Holiho Pty Ltd (a related party being a company controlled by Director Mr Phillip Jackson) or its nominee, on the terms and conditions set out in the Explanatory Statement.”

ASX Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mr Phillip Jackson, Holiho Pty Ltd and any of their associates. 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 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.

Voting Prohibition Statement: A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

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

However, the above prohibition does not apply if:

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

9. Resolution 8 – Grant of Options to Consultants

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

"That, for the purposes of Listing Rule 7.1 of the Listing Rules of the ASX and for all other purposes, approval is given for the grant of 1,200,000 Options to certain consultants of the Company or their nominees, on the terms and conditions set out in the Explanatory Memorandum."

ASX Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. 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 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.

Voting Prohibition Statement: A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

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

However, the above prohibition does not apply if:

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

BY ORDER OF THE BOARD



E G MOORE
COMPANY SECRETARY
DATED: 18 October 2016

Information for voting shareholders

Voting Entitlements

For the purpose of determining a person's entitlement to vote at the Annual General Meeting, and in accordance with regulation 7.11.37 and 7.11.38 of the *Corporations Regulations 2011* (Cth), the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the register of Shareholders as at **5.00 pm (WST) on 27 November 2016**.

On a poll, Shareholders have one vote for every Share held.

How to vote

Shareholders can vote by either:

- attending the meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the proxy form accompanying this Notice of Meeting and by submitting their proxy appointment and voting instructions in person, by post, by fax or as an email attachment.

Voting in person (or by attorney)

Shareholders, or their attorneys, who plan to attend the meeting are asked to arrive at the venue 15 minutes prior to the time designated for the meeting, if possible, so that their holding may be checked against the Company's share register and attendance recorded. Attorneys should bring with them an original or certified copy of the power of attorney under which they have been authorised to attend and vote at the meeting.

Voting by proxy

In accordance with section 249L of the Corporations Act, members (i.e. Shareholders) 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.

Each proxy will have the right to vote on a poll and also to speak at the meeting.

The proxy can be either an individual or a body corporate.

Any instrument appointing a proxy must in accordance with clause 10.34 of the Company's Constitution be received by the Company not less than 48 hours before the time for the meeting (i.e. it must be received by no later than 11.00 am (WST) on 27 November 2016).

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. A proxy given by a foreign corporation must be executed in accordance with its constituent documents and the laws of that corporation's place of incorporation. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the power of attorney, or the power itself, must be received by the Company at the above address, or by facsimile, or as an email attachment and by no later than 11.00 am (WST) on 27 November 2016. If facsimile transmission or email together with an attachment is used, the power of attorney must be certified.

Directed Proxies

Sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this Meeting. Broadly, the changes 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 if a poll is demanded.

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).

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; or
 - the proxy does not vote on the resolution,

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

A proxy form is attached to this Notice of Meeting.

Undirected Proxies

If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit subject to any restrictions at law or under the ASX Listing Rules.

Should any resolution, other than those specified in this Notice of Meeting, be proposed at the General Meeting, a proxy may vote on that resolution as they think fit subject to any restrictions at law or under the Listing Rules.

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 a poll called in relation to a Resolution 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 how to vote but do not nominate the identity of their proxy will be taken to have appointed the Chair 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, the Chair of the Meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chair of the Meeting, that do not contain a direction how to vote will be used where possible to support each of the Resolutions proposed in this Notice, provided they are entitled to cast votes as a proxy under the voting prohibition or exclusion laws or rules which apply to some of the proposed Resolutions (if any). These laws and rules (if any) are explained in this Notice.

Corporate Representatives

Any corporation which is a Shareholder may authorise (by certificate under common seal or other form of execution authorised by the laws of that corporation's place of incorporation, or in any other manner satisfactory to the Chair of the General Meeting) a natural person to act as its representative at the Annual General Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the meeting evidence of his or her appointment, including any authority under which it is signed.

Explanatory Memorandum

Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders of Aurora Minerals Limited (**Aurora or the Company**) in relation to business to be conducted at the Annual General Meeting to be held at the Company's office at Level 2, 20 Kings Park Road, West Perth, Western Australia at 11.00 am (WST) on Tuesday 29 November 2016.

Purpose of Explanatory Memorandum

The purpose of this Explanatory Memorandum is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice of Meeting.

This Explanatory Memorandum does not take into account the individual investment objectives, financial situation and needs of individual Shareholders or any other person. Accordingly, it should not be relied on solely in determining how to vote on the Resolutions and Shareholders should seek their own financial or legal advice.

Notice to persons outside of Australia

This Explanatory Memorandum has been prepared in accordance with the Corporations Act and the Listing Rules, disclosure requirements and Accounting Standards. These laws, disclosure requirements and accounting standards may be different to those in other countries.

Forward looking statements

Certain statements in this Explanatory Memorandum relate to the future. These statements reflect views only as of the date of this Explanatory Memorandum. While Aurora believes that the expectations reflected in the forward looking statements are reasonable, neither Aurora nor any other person gives any representation, assurance or guarantee that the occurrence of an event expressed or implied in any forward looking statements in this Explanatory Memorandum will actually occur.

Disclaimer

No person is authorised to give any information or make any representation in connection with the proposed transactions which is not contained in this Explanatory Memorandum. Any information which is not contained in this Explanatory Memorandum may not be relied on as having been authorised by Aurora or the Board in connection with the proposed transactions.

Responsibility for information

The information contained in this Explanatory Memorandum has been prepared by Aurora and is the responsibility of Aurora.

ASX

A copy of the Notice of Meeting and Explanatory Memorandum has been lodged with ASX pursuant to the Listing Rules. Neither ASX nor any of its officers take any responsibility for the contents of the Notice and Explanatory Memorandum.

Definitions

Many capitalised terms used in this Explanatory Memorandum are defined in the Glossary in Schedule 1 unless the context otherwise requires.

Enquiries

All enquiries in relation to the contents of the Notice of Meeting or Explanatory Memorandum should be directed to the Company's Company Secretary, Mr Eric Moore, telephone: +61 8 6143 1840.

1. Financial Statements and Reports

The business of the Meeting will include receipt and consideration of the Annual Financial Report, the director's report and the auditor's report of the Company for the financial year ended 30 June 2016.

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 the Company's website at www.auroraminerals.com

2. Resolution 1- Re-election of Mr Tim Markwell as a Director

Clause 11.3 of the Company's Constitution provides that at the Annual General Meeting in every year one-third of the Directors for the time being, or, if their number is not 3 nor a multiple of 3, then the number nearest one-third, and any other Director not in such one-third who has held office for 3 years or more (except the Managing Director) must retire from office.

Mr Tim Markwell will retire by rotation at this Annual General Meeting pursuant to Clause 11.3 of the Company's Constitution and, being eligible for re-election, offers himself for re-election as a Director of the Company. Details regarding Mr Markwell's qualifications and experience are set out in the Company's 2016 Annual Report.

3. Resolution 2 – Approval of Remuneration Report

3.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Company or the Directors of the Company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' report contained in the annual financial report of the company for a financial year.

The Chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the Remuneration Report at the Annual General Meeting.

3.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

3.3. Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

4. Resolutions 3 to 6: Grant of Options to Related Parties

4.1 Background

The Company has agreed, subject to Shareholder approval, to grant a total of 5,100,000 Options to related parties of the Company (**Related Parties**), as follows:

- (a) 900,000 Options proposed to be granted to Holihox Pty Ltd (controlled by Director Mr Phillip Jackson) or its nominee under Resolution 3;
- (b) 3,000,000 Options proposed to be granted to Whitby 2009 Pty Ltd (controlled by Director Mr Martin Pyle) or its nominee under Resolution 4;
- (c) 600,000 Options proposed to be granted to Director Mr Peter Cordin or his nominee under Resolution 5; and
- (d) 600,000 Options proposed to be granted to Director Mr Tim Markwell or his nominee under Resolution 6,

(Related Party Options).

The Related Party Options will comprise 3 classes of Options (and the Related Parties Options to be granted to each Related Party are to comprise these classes in equal amounts) as follows:

- Class A: A 2 year term with an exercise price for the Related Party Options of a 40% premium to the volume weighted average price of the Company's shares for the 5 days on which the shares were traded prior to the date of grant of the Options. See Schedule 2 for full terms.
- Class B: A 3 year term with an exercise price for the Related Party Options of a 100% premium to the volume weighted average price of the Company's shares for the 5 days on which the shares were traded prior to the date of grant of the Options. See Schedule 3 for full terms.
- Class C: A 4 year term with an exercise price for the Related Party Options of a 200% premium to the volume weighted average price of the Company's shares for the 5 days on which the shares were traded prior to the date of grant of the Options. See Schedule 4 for full terms.

The grant of the Related Party Options to the Related Parties is designed to reward the commitment and performance of the Directors and better align their interests with shareholders. With the exercise prices of the Related Party Options being at a significant premium to the Share price in the 5 trading days prior to the date of grant, it will thereby provide a material additional incentive for the ongoing involvement of the Directors to the growth of the Company without drawing on the Company's cash reserves.

4.2 Chapter 2E of the Corporations Act

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 grant of the Related Party Options constitutes giving a financial benefit and the Related Parties are related parties of the Company by virtue of being Directors or companies controlled by Directors.

In relation to Resolution 3, the Directors, other than Mr Phillip Jackson who has a material personal interest in Resolution 3, consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required (by relying on the arm's length exception in section 210 of the Corporations Act) in respect of the proposed grant of Related Party Options to Holihox Pty Ltd or its nominee because the decision to grant Related Party Options to Holihox Pty Ltd or its nominee has been made on an arm's length basis (i.e. without involvement of Mr Phillip Jackson and having due regard to current market practices of other ASX listed companies of a similar size and with similar activities to the Company).

In relation to Resolution 4, the Directors, other than Mr Martin Pyle who has a material personal interest in Resolution 4, consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required (by relying on the arm's length exception in section 210 of the Corporations Act) in respect of the proposed grant of Related Party Options to Whitby Pty Ltd or its nominee because the decision to grant Related Party Options to Whitby Pty Ltd or its nominee has been made on an arm's length basis (i.e. without involvement of Mr Martin Pyle and having due regard to current market practices of other ASX listed companies of a similar size and with similar activities to the Company).

In relation to Resolution 5, the Directors, other than Mr Peter Cordin who has a material personal interest in Resolution 5, consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required (by relying on the arm's length exception in section 210 of the Corporations Act) in respect of the proposed grant of Related Party Options to Mr Peter Cordin or his nominee because the decision to grant Related Party Options to Mr Peter Cordin or his nominee has been made on an arm's length basis (i.e. without involvement of Mr Peter Cordin and having due regard to current market practices of other ASX listed companies of a similar size and with similar activities to the Company).

In relation to Resolution 6, the Directors, other than Mr Tim Markwell who has a material personal interest in Resolution 6, consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required (by relying on the arm's length exception in section 210 of the Corporations Act) in respect of the proposed grant of Related Party Options to Mr Tim Markwell or his nominee because the decision to grant Related Party Options to Mr Tim Markwell or his nominee has been made on an arm's length basis (i.e. without involvement of Mr Tim Markwell and having due regard to current market practices of other ASX listed companies of a similar size and with similar activities to the Company).

4.3 ASX Listing Rule 10.11

ASX Listing Rule 10.11 also 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 the grant of the Related Party Options involves the issue of securities to Related Parties of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances in respect of any of Resolutions 3 to 6.

4.4 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to Resolutions 3 to 6:

- (a) the Related Party Options are proposed to be granted as follows:
 - (i) 900,000 Options proposed to be granted to Holihox Pty Ltd (controlled by Director Mr Phillip Jackson) or its nominee under Resolution 3 (comprising 300,000 Class A Options, 300,000 Class B Options and 300,000 Class C Options);
 - (ii) 3,000,000 Options proposed to be granted to Whitby 2009 Pty Ltd (controlled by Director Mr Martin Pyle) or its nominee under Resolution 4 (comprising 1,000,000 Class A Options, 1,000,000 Class B Options and 1,000,000 Class C Options);
 - (iii) 600,000 Options proposed to be granted to Director Mr Peter Cordin (or his nominee) under Resolution 5 (comprising 200,000 Class A Options, 200,000 Class B Options and 200,000 Class C Options); and
 - (iv) 600,000 Options proposed to be granted to Director Mr Tim Markwell (or his nominee) under Resolution 6 (comprising 200,000 Class A Options, 200,000 Class B Options and 200,000 Class C Options);
- (b) the maximum number of Related Party Options the subject of Resolutions 3 to 6 is 5,100,000 in the respective amounts set out in (a) above;
- (c) the Related Party Options will be granted no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Related Party Options will occur on the same date;
- (d) the Related Party Options will be granted for nil consideration and accordingly no funds will be raised from the grant of the Related Party Options; and
- (e) the Related Party Options comprise Class A Options, Class B Option and Class C Options. The terms of these different classes of options are set out in Schedules 2, 3 and 4 respectively of this this Explanatory Memorandum.

Approval pursuant to ASX Listing Rule 7.1 is not required for the grant of the Related Party Options under Resolutions 3 to 6 as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the grant of Related Party Options under Resolutions 3 to 6 will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

5. Resolution 7- Grant of Options to a Related Party

5.1 Background

Resolution 7 seeks approval from shareholders for the grant of 3,000,000 Class D Options to Holihox Pty Ltd (controlled by Director Mr Phillip Jackson) or its nominee (**Related Party**) (**Class D Options**).

Holihox Pty Ltd and the Company are parties to a Consultancy Agreement dated 13 April 2010 under which Holihox Pty Ltd procures Mr Phillip Jackson to provide the Company various services.

Under the Consultancy Agreement either Party can terminate the Consultancy Agreement upon 12 months' notice to the other party. During the notice period Holihox Pty Ltd is not obliged to provide any services. Upon termination Holihox Pty Ltd is effectively entitled to a termination payment equal to 12 months consultancy fees (being the fees Holihox Pty Ltd would have received if the services were required to be performed during the notice period).

The Board of Directors of the Company believe that as Mr Jackson has ceased to serve in an executive capacity the termination fee is no longer appropriate in his current role as non-executive Chairman and have negotiated its removal.

The Company and Holihox Pty Ltd have agreed to amend the Consultancy Agreement to remove the termination payment subject to the Company granting Holihox Pty Ltd 3,000,000 Class D Options.

Accordingly, Resolution 7 seeks Shareholder approval to grant Holihox Pty Ltd or its nominee 3,000,000 Class D Options.

5.2 Chapter 2E of the Corporations Act

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 grant of the Class D Options constitutes giving a financial benefit as Holihox Pty Ltd is a related party of the Company by virtue of being controlled by Director Mr Phillip Jackson.

It is the view of the Company that the exceptions set out in sections 210 to 216 of the Corporations Act may, but do not necessarily, apply in the current circumstances. Accordingly, out of prudence, Shareholder approval is sought for the grant of the Class D Options to the Related Party.

In addition, ASX Listing Rule 10.11 also requires shareholder approval to be obtained where the Company issues, or agrees to issue, securities to a related party, unless an exception in ASX Listing Rule 10.12 applies. As none of the exceptions in Listing Rule 10.12 applies, approval to the issue of the Class D Options to the Related Party is also being sought under ASX Listing Rule 10.11.

5.3 Shareholder Approval (Chapter 2E of the Corporations Act and Listing Rule 10.11)

In accordance with the requirements of section 219 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to the proposed grant of Class D Options:

- (a) the related party is Holihox Pty Ltd and Holihox Pty Ltd is a related party by virtue of being controlled by Director Mr Phillip Jackson;
- (b) the maximum number of Class D Options (being the nature of the financial benefit being provided) to be granted to the Related Party is 3,000,000;
- (c) the Class D Options will be granted to the Related Party 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 that the Class D Options will be granted on one date;
- (d) the Class D Options will be granted for nil cash consideration, accordingly no funds will be raised by their grant (but funds may be raised in the future to the extent that Class D Options are ultimately exercised);
- (e) the terms and conditions of the Class D Options are set out in Schedule 5;
- (f) the value of the Class D Options and the pricing methodology is set out in Schedule 6;

- (g) the relevant interests of the Related Party and their associates in securities of the Company are set out below:

Related Party	Shares	Options
Holihox Pty Ltd	2,050,000 ¹	500,000 ²

Notes

1. The Shares are registered in the name of Director Phillip Jackson (1,050,000) and Holihox Pty Ltd (1,000,000).
2. These Options are unlisted and registered in the name of Holihox Pty Ltd (exercisable at \$0.0691 on or before 18 September 2017).
3. Under Resolution 3 it is proposed that 300,000 Class A Options, 300,000 Class B Options and 300,000 Class C Options are granted to Holihox Pty Ltd or its nominee.

- (h) the remuneration and emoluments from the Company to the Related Party and Director Mr Phillip Jackson for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out below:

Related Party	Current Financial Year (estimated fees)	Previous Financial Year
Holihox Pty Ltd	\$75,000	\$75,000
Mr Phillip Jackson	\$20,800	\$20,800

- (i) if all Class D Options granted to the Related Party are exercised, a total of 3,000,000 Shares would be issued. This will increase the number of Shares on issue from 116,808,609 to 119,808,609 (assuming that no other Shares are issued in the meantime) with the effect that the shareholding of existing Shareholders would be diluted by 2.57%;
- (j) the market price for Shares as traded on the ASX during the term of the Class D Options would normally determine whether or not the Class D Options are exercised. If, at any time any of the Class D Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of those Class D Options, there may be a notional or actual cost to the Company, including by way of an opportunity cost, being the loss of the opportunity to issue the resultant Shares at an issue price which is equal to, or close to, the then market price of the Shares;
- (k) some details of 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	9.7 cents	15 July 2016
Lowest	2.4 cents	On 9 separate dates between 25 Sept 2015 and 14 January 2016
Last	6.3 cents	14 October 2016

- (l) as set out above, the grant of the Class D Options to Holihox Pty Ltd is in consideration of Holihox Pty Ltd agreeing to forgo a termination payment in the event that Holihox Pty Ltd's Consultancy Agreement with the Company terminates;
- (m) Mr Phillip Jackson does not wish to make a recommendation to Shareholders in relation to Resolution 7 due to his having a material personal interest in the outcome of the Resolution on the basis that Holihox Pty Ltd (controlled by Mr Phillip Jackson) or its nominee is to be granted Class D Options in the Company should that Resolution be passed;
- (n) Mr Martin Pyle recommends that Shareholders vote in favour of Resolution 7 as:

- (i) Holihox Pty Ltd's agreement to forgo the termination payment under its Consultancy Agreement in consideration for the grant of the Class D Options means that any termination of Holihox Pty Ltd's Consultancy Agreement will not affect the Company's cash reserves; and
 - (ii) the grant of the Class D Options to Holihox Pty Ltd will further align Holihox Pty Ltd and Mr Phillip Jackson's interests with Shareholders and provide meaningful incentive to work towards the Company becoming commercially successful;
- (o) Mr Peter Cordin recommends that Shareholders vote in favour of Resolution 7 as:
- (iii) Holihox Pty Ltd's agreement to forgo the termination payment under its Consultancy Agreement in consideration for the grant of the Class D Options means that any termination of Holihox Pty Ltd's Consultancy Agreement will not affect the Company's cash reserves; and
 - (iv) the grant of the Class D Options to Holihox Pty Ltd will further align Holihox Pty Ltd and Mr Phillip Jackson's interests with Shareholders and provide meaningful incentive to work towards the Company becoming commercially successful;
- (p) Mr Tim Markwell recommends that Shareholders vote in favour of Resolution 7 as:
- (v) Holihox Pty Ltd's agreement to forgo the termination payment under its Consultancy Agreement in consideration for the grant of the Class D Options means that any termination of Holihox Pty Ltd's Consultancy Agreement will not affect the Company's cash reserves; and
 - (vi) the grant of the Class D Options to Holihox Pty Ltd will further align Holihox Pty Ltd and Mr Phillip Jackson's interests with Shareholders and provide meaningful incentive to work towards the Company becoming commercially successful;
- (q) except as specified above, no other Director has a personal interest or other interest in the outcome of Resolution 7;
- (r) in forming their various recommendations, each Director when making a recommendation considered the benefit to the Company of Holihox Pty Ltd's agreement to forgo the termination payment under its Consultancy Agreement in consideration for the grant of the Class D Options; and
- (s) 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 Resolution 7.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to grant the Class D Options to the Related Party or its nominee as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Class D Options to the Related Party or its nominee will not be included in the 15% calculation of the Company's twelve month capacity to issue Shares or other securities without shareholder approval pursuant to ASX Listing Rule 7.1.

6. Resolution 8 - Grant of Options to Consultants

6.1 Background

Resolution 8 seeks Shareholder approval for the grant of up to 1,200,000 incentive Options to the following consultants of the Company:

- (a) Golden Kilometre Mines Pty Ltd - a company controlled by Company Secretary Eric Moore; and

- (b) Adelphi Resources Pty Ltd - a company associated with Company Group Accountant Bruce Waddell,

(Consultants).

The grant of the Options to the Consultants is designed to:

- (a) encourage Mr Moore and Mr Waddell to have a greater involvement in the achievement of the Company's objectives by providing a material additional incentive for their ongoing commitment and dedication to the continued growth of the Company; and
- (b) do this in a way which does not deplete the Company's cash reserves.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 8 will be to allow the Company to issue the Options to the Consultants during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

6.2 Technical information required by ASX Listing Rule 7.1

The following additional information is provided to Shareholders pursuant to Listing Rule 7.3 in relation to the issue of Options to the Consultants under Resolution 8:

- (a) the maximum number of Options to be granted under Resolution 8 is 1,200,000 comprising:
 - (i) 200,000 Class A Options, 200,000 Class B Options and 200,000 Class C Options to granted to Golden Kilometre Mines Pty Ltd (a company controlled by Company Secretary Eric Moore); and
 - (ii) 200,000 Class A Options, 200,000 Class B Options and 200,000 Class C Options to granted to Adelphi Resources Pty Ltd (a company associated with Company Group Accountant Bruce Waddell);
 - (b) the Consultant Options will be granted no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that grant of the Consultant Options will occur on the same day;
 - (c) the Consultant Options will be granted for nil consideration and accordingly no funds will be raised from the grant of the Consultant Options under Resolution 8;
 - (d) the Consultant Options will be granted to Golden Kilometre Mines Pty Ltd and Adelphi Resources Pty Ltd or their nominees; and
 - (e) the Consultant Options comprises Class A Options, Class B Options and Class C Options the terms of which are set out in the Schedules 2, 3 and 4 respectively to this Explanatory Memorandum.
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Schedule 1 — Glossary

In this Explanatory Memorandum, unless the context otherwise requires:

\$	Australian dollars
ABN	Australian Business Number.
Associate	The meaning given to that term in the Corporations Act.
ASX	ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
Class A Options	Means Options on the terms and conditions set out in Schedule 2.
Class B Options	Means Options on the terms and conditions set out in Schedule 3.
Class C Options	Means Options on the terms and conditions set out in Schedule 4.
Class D Options	Means Options on the terms and conditions set out in Schedule 5.
Board	The board of Directors.
Closely Related Party	Of a member of the Key Management Personnel means: <ul style="list-style-type: none">(a) A spouse or child of the member;(b) A child of the member's spouse;(c) A dependent of the member's spouse;(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 dealing with the entity;(e) A company the member controls; or(f) A person prescribed by the Corporations Regulations 2001 (Cth).
Chair	The chair of the Meeting.
Company or Aurora	Aurora Minerals Limited (ABN 46 106 304 787).
Corporations Act	The <i>Corporations Act 2001</i> (Cth).
Director	A director of Aurora.
Explanatory Memorandum	The Explanatory Memorandum accompanying the Notice of Meeting.
Key Management Personnel	Has the same meaning as in the accounting standards (as that term is defined in the Corporations Act) and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, directly or indirectly, including any director (whether executive or non-executive) of the Company or if the Company is part of a consolidated entity of an entity within the consolidated group.
Listing Rules	The listing rules of the ASX.
Notice of Meeting	The notice convening the Annual General Meeting, which accompanies this Explanatory Memorandum.
Meeting or Annual General Meeting	The Annual General Meeting of Aurora called by the Notice of Meeting.
Option	An Option to acquire a Share.
Optionholder	Means the holder of an Option.
Proxy Form	Proxy Form attached to the Notice of Meeting.
Related Parties	Has the meaning given in section 4.1.
Resolution	Resolution in the Notice of Meeting.
Share	An ordinary share in the capital of the Company.
Shareholder	The registered holder of a Share.

Schedule 2 - Terms and Conditions of Class A Options

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Option gives the Optionholder the right to subscribe for one Share.
- (b) The Options will expire at 5.00pm (WST) on the date which is 24 months after the date of grant (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) Subject to (e) below, the amount payable upon exercise of an Option will be equal to 140% of the volume weighted average price of Shares for the 5 days on which the shares were traded prior to the Option grant date (**Exercise Price**).
- (d) The Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 100,000 must be exercised on each occasion.
- (e) An Optionholder may exercise Options by lodging with the Company, before the Expiry Date either:
 - A. a written notice of exercise of Options specifying the number of Options being exercised together with a cheque or electronic funds transfer for the Exercise Price for the Options being exercised; or
 - B. a written election signed by the Optionholder electing to use the Cashless Exercise Facility in respect of the number of Options set out in the written election,

(either of the above being an **Exercise Notice**).

For the purpose of the above "Cashless Exercise Facility" means to exercise a number of Options and not pay an Exercise Price, and thereby receive a lesser number of Shares on exercise of the Options such that the Optionholder is allotted a number of Shares with an aggregate value equivalent to the net value of the Shares the Optionholder would have otherwise acquired if the Optionholder had paid an Exercise Price, after that Exercise Price is deducted from the value of those Shares.

- (f) Within 10 Business Days of receipt of an Exercise Notice, the Company will allot the number of Shares required under these terms in respect of the number of Options specified in the Exercise Notice.
- (g) Subject to the Listing Rules of the ASX, the Options can be transferred to a Nominee of the Optionholder, but otherwise are not transferable, without the prior written approval of the Directors. "Nominee" means (a) a spouse or de facto spouse of the Optionholder, or (b) a child, sibling or parent of the Optionholder, or (c) a family trust associated with the Optionholder, or (d) a superannuation fund in which the Optionholder or any of the persons referred to in the foregoing is a member, or any other nominee approved by the Company.
- (h) All Shares allotted upon the exercise of Options will upon allotment rank pari passu with other Shares.
- (i) The Company will not apply for quotation of the Options on ASX. However, The Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those Shares.
- (j) If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (k) There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.
- (l) In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying securities in the Company, the exercise price of the Options may be reduced according to the formula set out in ASX Listing Rule 6.22.2. Subject to the foregoing an Option does not otherwise confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.
- (m) In the event of the death of the Optionholder then all of the Options shall remain in full force and effect for the full term up until the Expiry Date and may be exercised at any time up to the Expiry Date by the deceased Option Holder's legal personal representative.
- (n) In the event that that the person to whom the Options were originally offered to ceases to provide services to, or be employed by, the Company following the takeover of the Company or following a Change in Control, all of the Options shall remain in full force and effect for the full term up until the Expiry Date. A 'Change in Control' means a change in the composition of the shareholders of the Company whereby a person who does not presently control the Company within the meaning of section 50AA of the Corporations Act gains such control over the Company.
- (o) In the event that the person to whom the Options were originally offered to ceases to provide services to, or be employed by, the Company all of the Options shall remain in full force and effect for the full term up until the Expiry Date.
- (p) For the avoidance of doubt it is recorded that the terms of the Options will not be affected in the event that in the future if an Optionholder who is a director of the Company ceases to be a director of the Company.

Schedule 3 - Terms and Conditions of Class B Options

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Option gives the Optionholder the right to subscribe for one Share.
- (b) The Options will expire at 5.00pm (WST) on the date which is 36 months after the date of grant (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) Subject to (e) below, the amount payable upon exercise of an Option will be equal to 200% of the volume weighted average price of Shares for the 5 days on which the shares were traded prior to the Option grant date (**Exercise Price**).
- (d) The Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 100,000 must be exercised on each occasion.
- (e) An Optionholder may exercise Options by lodging with the Company, before the Expiry Date either:
 - A. a written notice of exercise of Options specifying the number of Options being exercised together with a cheque or electronic funds transfer for the Exercise Price for the Options being exercised; or
 - B. a written election signed by the Optionholder electing to use the Cashless Exercise Facility in respect of the number of Options set out in the written election,(either of the above being an **Exercise Notice**).

For the purpose of the above "Cashless Exercise Facility" means to exercise a number of Options and not pay an Exercise Price, and thereby receive a lesser number of Shares on exercise of the Options such that the Optionholder is allotted a number of Shares with an aggregate value equivalent to the net value of the Shares the Optionholder would have otherwise acquired if the Optionholder had paid an Exercise Price, after that Exercise Price is deducted from the value of those Shares.

- (f) Within 10 Business Days of receipt of an Exercise Notice, the Company will allot the number of Shares required under these terms in respect of the number of Options specified in the Exercise Notice.
- (g) Subject to the Listing Rules of the ASX, the Options can be transferred to a Nominee of the Optionholder, but otherwise are not transferable, without the prior written approval of the Directors. "Nominee" means (a) a spouse or de facto spouse of the Optionholder, or (b) a child, sibling or parent of the Optionholder, or (c) a family trust associated with the Optionholder, or (d) a superannuation fund in which the Optionholder or any of the persons referred to in the foregoing is a member, or any other nominee approved by the Company.
- (h) All Shares allotted upon the exercise of Options will upon allotment rank pari passu with other Shares.
- (i) The Company will not apply for quotation of the Options on ASX. However, The Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those Shares.
- (j) If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (k) There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.
- (l) In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying securities in the Company, the exercise price of the Options may be reduced according to the formula set out in ASX Listing Rule 6.22.2. Subject to the foregoing an Option does not otherwise confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.
- (m) In the event of the death of the Optionholder then all of the Options shall remain in full force and effect for the full term up until the Expiry Date and may be exercised at any time up to the Expiry Date by the deceased Option Holder's legal personal representative.
- (n) In the event that that the person to whom the Options were originally offered to ceases to provide services to, or be employed by, the Company following the takeover of the Company or following a Change in Control, all of the Options shall remain in full force and effect for the full term up until the Expiry Date. A 'Change in Control' means a change in the composition of the shareholders of the Company whereby a person who does not presently control the Company within the meaning of section 50AA of the Corporations Act gains such control over the Company.
- (o) In the event that the person to whom the Options were originally offered to ceases to provide services to, or be employed by, the Company all of the Options shall remain in full force and effect for the full term up until the Expiry Date.
- (p) For the avoidance of doubt it is recorded that the terms of the Options will not be affected in the event that in the future if an Optionholder who is a director of the Company ceases to be a director of the Company.

Schedule 4 -Terms and Conditions of Class C Options

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Option gives the Optionholder the right to subscribe for one Share.
- (b) The Options will expire at 5.00pm (WST) on the date which is 48 months after the date of grant (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) Subject to (e) below, the amount payable upon exercise of an Option will be equal to 300% of the volume weighted average price of Shares for the 5 days on which the shares were traded prior to the Option grant date (**Exercise Price**).
- (d) The Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 100,000 must be exercised on each occasion.
- (e) An Optionholder may exercise Options by lodging with the Company, before the Expiry Date either:
 - A. a written notice of exercise of Options specifying the number of Options being exercised together with a cheque or electronic funds transfer for the Exercise Price for the Options being exercised; or
 - B. a written election signed by the Optionholder electing to use the Cashless Exercise Facility in respect of the number of Options set out in the written election,

(either of the above being an **Exercise Notice**).

For the purpose of the above "Cashless Exercise Facility" means to exercise a number of Options and not pay an Exercise Price, and thereby receive a lesser number of Shares on exercise of the Options such that the Optionholder is allotted a number of Shares with an aggregate value equivalent to the net value of the Shares the Optionholder would have otherwise acquired if the Optionholder had paid an Exercise Price, after that Exercise Price is deducted from the value of those Shares.

- (f) Within 10 Business Days of receipt of an Exercise Notice, the Company will allot the number of Shares required under these terms in respect of the number of Options specified in the Exercise Notice.
- (g) Subject to the Listing Rules of the ASX, the Options can be transferred to a Nominee of the Optionholder, but otherwise are not transferable, without the prior written approval of the Directors. "Nominee" means (a) a spouse or de facto spouse of the Optionholder, or (b) a child, sibling or parent of the Optionholder, or (c) a family trust associated with the Optionholder, or (d) a superannuation fund in which the Optionholder or any of the persons referred to in the foregoing is a member, or any other nominee approved by the Company.
- (h) All Shares allotted upon the exercise of Options will upon allotment rank pari passu with other Shares.
- (i) The Company will not apply for quotation of the Options on ASX. However, The Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those Shares.
- (j) If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (k) There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.
- (l) In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying securities in the Company, the exercise price of the Options may be reduced according to the formula set out in ASX Listing Rule 6.22.2. Subject to the foregoing an Option does not otherwise confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.
- (m) In the event of the death of the Optionholder then all of the Options shall remain in full force and effect for the full term up until the Expiry Date and may be exercised at any time up to the Expiry Date by the deceased Option Holder's legal personal representative.
- (n) In the event that that the person to whom the Options were originally offered to ceases to provide services to, or be employed by, the Company following the takeover of the Company or following a Change in Control, all of the Options shall remain in full force and effect for the full term up until the Expiry Date. A 'Change in Control' means a change in the composition of the shareholders of the Company whereby a person who does not presently control the Company within the meaning of section 50AA of the Corporations Act gains such control over the Company.
- (o) In the event that the person to whom the Options were originally offered to ceases to provide services to, or be employed by, the Company all of the Options shall remain in full force and effect for the full term up until the Expiry Date.
- (p) For the avoidance of doubt it is recorded that the terms of the Options will not be affected in the event that in the future if an Optionholder who is a director of the Company ceases to be a director of the Company.

Schedule 5 -Terms and Conditions of Class D Options

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Option gives the Optionholder the right to subscribe for one Share.
- (b) The Options will expire at 5.00pm (WST) on the date which is 36 months following the date of grant (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The amount payable upon exercise of each Option will be a 40% premium to the closing price of the Company's shares on the date of lodgement of this Notice of Meeting (**Exercise Price**).
- (d) The Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 100,000 must be exercised on each occasion.
- (e) An Optionholder may exercise their Options by lodging with the Company, before the Expiry Date:
 - A. a written notice of exercise of Options specifying the number of Options being exercised; and
 - B. a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised,**(Exercise Notice)**.
- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (g) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- (h) The Options are not transferable.
- (i) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
- (j) The Company will not apply for quotation of the Options on ASX. However, The Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those Shares.
- (k) If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (l) There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (m) An Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.
- (n) In the event that the person to whom the Options were originally offered to ceases to provide services to, or be employed by, the Company all of the Options shall remain in full force and effect for the full term up until the Expiry Date.

Schedule 6 – Valuation of Class D Options

The Class D Options to be issued to Holihox Pty Ltd or its nominee pursuant to Resolution 7 have been valued by internal management.

Using the Black and Scholes option model and based on the assumptions set out below, the Class D Options to be issued to Holihox Pty Ltd or its nominee pursuant to Resolution 7 are ascribed the following value:

Assumptions:	
Valuation date	17 October 2016
Market price of Shares	6.30 cents
Exercise price	8.82 cents
Expiry date (length of time from issue)	36 months
Risk free interest rate	1.85%
Volatility (discount)	59.2%
Indicative value per Class D Option	1.94 cents
Total Value of the Class D Options	\$58,318

Note: The valuation noted above is not necessarily the market price that the Class D Options could be traded at and is not automatically the market price for taxation purposes.

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Proxy Form

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Email: contact@auroraminerals.com
Website: www.auroraminerals.com

Appointment of Proxy

I/We _____

of _____
being a member of Aurora Minerals Limited (**Company**) entitled to attend and vote at the Annual General Meeting of the Company (**Meeting**) to be held at 11.00am (WST) on 29 November 2016 at Level 2, 20 Kings Park Road, West Perth, Western Australia, hereby appoint:

<div style="border: 1px solid black; padding: 5px; background-color: #f0f0f0;"> _____ Print name of Proxy </div>	or	<div style="border: 1px solid black; padding: 5px; background-color: #f0f0f0;"> <input style="width: 30px; height: 20px; vertical-align: middle;" type="checkbox"/> the Chair of the Meeting as your proxy (if so please mark the box) </div>
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or failing the person or body corporate named, or if no person or body corporate is named, the Chair of the Meeting, as my/ our proxy to act on my/ our behalf (including to vote in accordance with the following directors or, if no directions have been given and to the extent permitted at law, as the proxy sees fit) at the Meeting and any postponement or adjournment of the Meeting.

Important for Resolutions 2 to 8: If the Chair of the Meeting is my/our proxy, either by appointment or by default, and I/we have not indicated my/our voting instructions below, I/we are expressly authorising the Chair of the Meeting to exercise the proxy in respect of Resolutions 2 to 8, even though the Resolutions are concerned directly or indirectly with the remuneration of a member of the Company's Key Management Personnel.

CHAIR'S VOTING INTENTIONS AS PROXY HOLDER

The Chair of the meeting intends to vote undirected proxies FOR the resolutions to which they apply (assuming the Chair is entitled to vote the proxies)

ORDINARY AND SPECIAL BUSINESS- VOTING INSTRUCTIONS

I/we direct my/our proxy how to vote in the following manner:

		For	Against	Abstain
Resolution 1	Re-election of Mr Tim Markwell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Approval of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approve Grant of Options to Holihox Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approve Grant of Options to Whitby 2009 Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approve Grant of Options to Mr Peter Cordin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approve Grant of Options to Mr Tim Markwell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approve Grant of Options to Holihox Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Approve Grant of Options to Consultants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

This Proxy is appointed to represent _____% of my voting right, or if 2 proxies are appointed Proxy 1 represents _____% and Proxy 2 represents _____% of my total votes
My total voting right is _____ shares

If the shareholder(s) is an individual(s), every shareholder is to sign:

If the shareholder is a company, sign in accordance with Section 127(1) of Corporations Act or affix common seal (if required by your constitution).

Signed: _____

Director or Sole Director and Secretary

Signed: _____

Director/Secretary

Dated: _____ 2016

Dated: _____ 2016

This form is to be used in accordance with the directions overleaf.

Instructions for completing and lodging this Proxy Form

1. A shareholder who is entitled to attend and vote at a meeting is entitled to appoint a proxy (and a shareholder who is entitled to cast two or more votes may appoint not more than two proxies) to attend and vote at the meeting.
 2. Where two proxies are appointed each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. Where two proxies for a shareholder are present at the meeting, neither proxy shall be entitled to vote on a show of hands, and on a poll the appointment shall be of no effect, unless each proxy is appointed to represent a specified proportion of the shareholder's voting rights, not exceeding 100% in aggregate.
 3. A proxy need not himself be a shareholder of the Company.
 4. The proxy form must be signed personally by the shareholder or his attorney, duly authorised in writing. If a proxy is given by a corporation, the proxy must be executed in accordance with section 127 of the Corporations Act or by its duly authorised attorney. In the case of joint shareholders, this proxy must be signed by at least one of the joint shareholders, personally or by a duly authorised attorney.
 5. If a proxy is executed by an attorney of a shareholder, then the original of the relevant power of attorney or a certified copy of the relevant power of attorney, if it has not already been noted by the company, must accompany the proxy form.
 6. If the proxy form specifies a way in which the proxy is to vote on any of the resolutions stated above, then the following applies:
 - (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way; and
 - (b) 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
 - (c) if the proxy is Chairman, the proxy must vote on a poll and must vote that way; and
 - (d) if the proxy is not the Chairman, the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.
- If a proxy is also a shareholder, the proxy can cast any votes the proxy holds as a shareholder in any way that the proxy sees fit.
7. The Proxy Form (and any power of attorney or other authority pursuant to which the Proxy Form has been signed) must either be:
 - (a) deposited at the registered office of the Company, Suite 2, Level 2, 20 Kings Park Road, West Perth;
 - (b) be sent by post to Aurora Minerals Limited, PO Box 644, West Perth, WA 6872;
 - (c) be sent by facsimile to Aurora Minerals Limited at (08) 9321 4692 or
 - (d) be emailed to Aurora Minerals Limited at contact@auroraminerals.com

so as to be received not later than 48 hours before the time fixed for the holding of the meeting - that is it is to be received by 11.00 am (WST) on 27 November 2016.

Change of Address

Should your address have changed please use this section to advise the Company and, if faxing your proxy form or emailing it as an attachment, please fax or attach by email this side of the proxy form as well.

My new address is:

My email address is: _____

My phone number is: _____