



KIDMAN RESOURCES LIMITED
ACN 143 526 096

Notice of Annual General Meeting

Explanatory Statement and Proxy Form

Date of Meeting:
Thursday, 9 May 2019

Time of Meeting:
11.00am (AEST)

Place of Meeting:
RACV Club
Level 2, Bourke Room 3
501 Bourke Street
Melbourne, Victoria, 3000

This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety.
If shareholders are in doubt as to how they should vote, they should seek advice from their
accountant, solicitor or other professional advisor.

NOTICE OF ANNUAL GENERAL MEETING

KIDMAN RESOURCES LIMITED
ACN 143 526 096

Notice is hereby given that the Annual General Meeting of Shareholders of Kidman Resources Limited (the Company) will be held at the RACV Club, Level 2, Bourke Room 3, 501 Bourke Street, Melbourne, Victoria, 3000 at 11.00am (AEST) on Thursday, 9 May 2019 (Meeting).

Registered office:
NE Suite, Level 30,
140 William Street,
Melbourne, Victoria, 3000

AGENDA

The Explanatory Statement and proxy form, which accompany and form part of this Notice, describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the proxy form in their entirety.

ORDINARY BUSINESS

Receipt and consideration of financial statements and reports

To receive and consider the Financial Report, the Directors' Report (including the Remuneration Report) and the Auditor's Report of the Company and its controlled entities for the financial year ended 31 December 2018.

Note: Except as set out in Resolution 1, there is no requirement for Shareholders to approve these reports. Accordingly, no resolution will be put to Shareholders on this item of business.

Resolution 1: Adoption of Remuneration Report

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

"That for the purpose of section 250R(2) of the Corporations Act, and for all other purposes, the Remuneration Report (included in the Directors' Report) for the reporting period ended 31 December 2018 be adopted."

Note: The outcome of this resolution is advisory only and does not bind the Company or the Board.

Resolution 2: Re-election of Mr John Pizzey as a Director of the Company

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

"That Mr John Pizzey, retiring as a Director in accordance with clause 8.1(e)(2)(A) of the Constitution of the Company and being eligible for re-election, be elected as a Director of the Company."

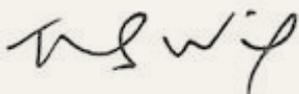
SPECIAL BUSINESS

Resolution 3: Ratification of prior issue of unlisted share rights to Mr John Pizzey

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

"That, for the purpose of Listing Rule 7.4 and for all other purposes, shareholders ratify the issue of 60,753 unlisted share rights in the Company (each entitling the holder, upon exercise, to one Share in the Company), to Mr John Pizzey as described in the Explanatory Statement accompanying this Notice."

By order of the Board



Thomas Wilcox
Company Secretary
Melbourne
8 April 2019

NOTES

1. Entire Notice

The details of the resolutions contained in the Explanatory Statement accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.

2. Record Date

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 7.00pm (AEST) on the date 48 hours before the date of the Meeting. Only those persons will be entitled to vote at the Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

3. Proxies

- a. Votes at the Meeting may be given personally or by proxy, attorney or representative.
- b. Where a Shareholder is entitled to cast two or more votes, the Shareholder may appoint up to two proxies and may specify the proportion of number of votes each proxy is appointed to exercise.
- c. A proxy need not be a Shareholder of the Company.
- d. If a Shareholder appoints two proxies, and the appointment does not specify the proportion or number of the Shareholder's votes, each proxy may exercise half of the votes. If a Shareholder appoints two proxies, neither proxy may vote on a show of hands.
- e. A proxy must be signed by the Shareholder or his or her attorney who has not received any notice of revocation of the authority. Proxies given by a corporation must be signed in accordance with the corporation's constitution and Corporations Act.
- f. To be effective, proxy forms must be received by the Company's share registry (Boardroom Pty Limited) no later than 48 hours before the commencement of the Meeting, being no later than 11.00am (AEST) on Tuesday, 7 May 2019. Any proxy received after that time will not be valid for the scheduled meeting.

4. Corporate Representative

Any corporate Shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

5. Voting Exclusion Statement

Resolution 1

The Company will disregard any votes cast on Resolution 1 (in any capacity) by or on behalf of a member of the KMP (being those persons described as such in the Remuneration Report) or a closely related party of such a member unless the vote is cast as proxy for a person entitled to vote in accordance with a direction on the proxy form.

Any undirected proxies held by Directors or other KMP or their closely related parties for the purposes of Resolution 1 (excluding the Chairman) will not be voted on Resolution 1. Accordingly, if you intend to appoint a member of KMP as your proxy, please ensure that you direct them how to vote. If you intend to appoint the Chairman of the meeting as your proxy, you can direct him to vote by marking the box for Resolution 1. By marking the Chairman's box on the proxy form you acknowledge that the Chairman of the meeting will vote in favour of this item of business as your proxy. The Chairman will vote undirected proxies in favour of Resolution 1.

Resolution 2

There are no voting exclusions for this Resolution.

Resolution 3

The Company will disregard any votes cast in favour on Resolution 3 by any person who participated in the relevant issue 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
- by the Chairman of 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.

6. Enquiries

Shareholders are invited to contact the Company Secretary, Thomas Wilcox, on (03) 9671 3801 if they have any queries in respect of the matters set out in these documents.

EXPLANATORY STATEMENT

Receipt and consideration of financial statements and reports

A copy of the Annual Report for the reporting period ending 31 December 2018 (which incorporates the Company's Financial Report, Directors' Report (including the Remuneration Report) and the Auditor's Report) is not enclosed as there is no longer a requirement for the Company to incur the printing and distribution costs associated with doing so for all Shareholders. You may obtain a copy free of charge in hard copy form by contacting the Company by phone at (03) 9671 3801, and you may request that this occurs on a standing basis for future years. Alternatively you may access the Annual Report at the Company's website: www.kidmanresources.com.au or via the Company's announcement platform on ASX.

Except for as set out in Resolution 1, no resolution is required on these reports.

Resolution 1: Adoption of Remuneration Report

Background

Section 250R(3) of the Corporations Act requires that a resolution to adopt the Remuneration Report must be put to a vote at every Annual General Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is set out in the Directors' Report in the Company's 2018 Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company.

In accordance with section 250SA of the Corporations Act, Shareholders will be provided with a reasonable opportunity to ask questions concerning, or make comments on, the Remuneration Report at the Meeting.

Under the Corporations Act if twenty five per cent (25%) or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a **spill resolution**) that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) must stand for re-election.

At the Company's last Annual General Meeting, the votes cast against the Remuneration Report represented 5.69% of the total votes cast, and accordingly, a spill resolution will not be required to be put at the Meeting.

The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

Board Recommendation

Noting that each Director has a personal interest in their own remuneration (as such interests are described in the Remuneration Report) and, as described in the voting exclusions on this resolution (set out in the Notice of Meeting), that each Director (or any Closely Related Party of a Director) is excluded from voting their Shares on this resolution, the Board unanimously recommends that Shareholders vote in favour of Resolution 1 to adopt the Remuneration Report. The Chairman will vote undirected proxies in favour of Resolution 1.

Voting Exclusions

See Item 5 of the Notes to the Notice of Meeting.

Resolution 2: Re-election of Mr John Pizzey as a Director of the Company

Background

Clause 8.1(e)(2)(A) of the Company's Constitution requires that, at every Annual General Meeting, one third of the Directors on the Board (excluding the Managing Director, and rounded down to the nearest whole number) shall retire from office and, provided that any such Director is eligible for re-election at the meeting, may offer himself or herself for re-election.

Mr John Pizzey was appointed as a Director on 1 January 2018. Mr Pizzey was last re-elected as a Director of the Company on 15 November 2018. Mr Pizzey retires as a Director at the Meeting under the Constitution and, being eligible, offers himself for re-election.

Mr Pizzey has been involved in the resources industry for more than 40 years. He was previously the Non-Executive Chairman of Alumina Limited, a position he stepped down from in March 2018. He is also a Non-Executive Director of Orora Limited. The majority of Mr Pizzey's executive experience was with Alcoa Inc. and Alcoa of Australia. Mr Pizzey is a Life Member and former Chairman of the International Aluminium Institute and he is a former Chairman of the London Metal Exchange.

Board Recommendation

The Board (with Mr Pizzey abstaining), recommends that Shareholders vote in favour of the re-election of Mr Pizzey. The Chairman intends to vote undirected proxies in favour of Mr Pizzey's re-election.

Voting Exclusions

There are no voting exclusions for this Resolution.

Resolution 3: Ratification of prior issue of unlisted share rights to Mr John Pizzey

Background

The Company is seeking Shareholder approval pursuant to Listing Rule 7.4 to ratify the issue of 60,753 unlisted share rights (**Share Rights**) to Mr John Pizzey. Pursuant to Mr Pizzey's letter of appointment as Non-Executive Director and Chairman, his total annual director's fee (\$150,000) is to be received in a fifty per cent (50%) cash component and a fifty per cent (50%) equity component. The number of Share Rights has been calculated at a value of \$75,000, based on the 28-day volume weighted average price for the period ending on 31 December 2018. Each Share Right, upon exercise, entitles him (or his nominee) to one Share in the Company. The Appendix 3B relating to the issue was announced to ASX on 2 January 2019. The Share Rights were issued to Mr Pizzey without Shareholder approval under Exception 6 and Exception 9 to Listing Rule 10.12 as Mr Pizzey was not, at the date of his letter of appointment, a Director of the Company.

The Share Rights will vest and the relevant Shares will be issued on 1 January 2020, subject to Mr Pizzey being a Director of the Company on that date.

Notwithstanding the above, the Share Rights will vest and the relevant shares will be issued if Mr Pizzey resigns as a Director of the Company as part of an agreed succession plan for the Board or, if there is a takeover offer made for the Company, on the date that any such takeover offer becomes unconditional.

The Share Rights were issued without Shareholder approval. Listing Rule 7.1 provides that a company must not, subject to specific exceptions, issue or agree to issue during any twelve (12) month period any equity securities, or other securities with rights to conversion to equity (such as options), if the number of those securities exceeds fifteen per cent (15%) of the share capital of the company on issue at the commencement of the twelve (12) month period.

Listing Rule 7.4 provides that where a company's shareholders ratify the prior issue of securities made pursuant to Listing Rule 7.1 (provided that the previous issue of securities did not breach Listing Rule 7.1) those securities will be deemed to have been issued with shareholder approval for the purposes of Listing Rule 7.1. The Company seeks approval under Listing Rule 7.4 to refresh its capacity to make further issues without shareholder approval under Listing Rule 7.1.

Listing Rule 7.5 requires that the following information be provided to shareholders for the purpose of obtaining shareholder approval pursuant to Listing Rule 7.4:

- a. the total number of Share Rights issued was 60,753;
- b. the Share Rights were issued at a price of \$0.00 per Share Right accordingly raising no money;
- c. each Share Right entitles the holder to one Share in the Company;
- d. upon vesting of the Share Rights, the Shares that are issued will have the same terms and rights as, and rank equally with, the Company's existing Shares;
- e. the Share Rights were allotted and issued to Mr John Pizzey (or his nominee(s)) who is a Director of the Company; and
- f. a voting exclusion statement is included in Item 5 of the Notes to the Notice of Meeting.

Board Recommendation

The Board (with Mr Pizzey abstaining) unanimously recommends that Shareholders vote in favour of Resolution 3.

Voting Exclusions

See Item 5 of the Notes to the Notice of Meeting.

GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

\$ means Australian Dollars;

AEST means Australian Eastern Standard Time;

Annual Report means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the reporting period ended 31 December 2018;

ASX means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires;

Auditor's Report means the auditor's report on the Financial Report;

Board means the Directors acting as the board of Directors of the Company;

Chairman means the person appointed to chair the Meeting of the Company convened by the Notice;

Closely Related Party means, in relation to a member of the KMP:

- a. a spouse or child of the member;
- b. a child of the member's spouse;
- c. a dependant of the member or 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 dealings with the Company, or
- e. a company the member controls;

Company means Kidman Resources Limited ACN 143 526 096;

Constitution means the constitution of the Company as at the date of the Meeting;

Corporations Act means the Corporations Act 2001 (Cth);

Director means a director of the Company;

Directors' Report means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

Explanatory Memorandum means the explanatory memorandum which forms part of the Notice;

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

Key Management Personnel or **KMP** means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company;

Listing Rules means the official listing rules of the ASX;

Meeting has the meaning given in the introductory paragraph of the Notice;

Notice means this notice of Meeting;

Proxy Form means the proxy form attached to the Notice;

Remuneration Report means the remuneration report which forms part of the Directors' Report of Kidman Resources Limited for the reporting period ended 31 December 2018 and which is set out in the Annual Report.

Resolution means a resolution referred to in this Notice;

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

Shareholder means shareholder of the Company.

All Correspondence to:

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** www.boardroomlimited.com.au

☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 11:00am (AEST) on Tuesday, 7 May 2019.**

🖥 TO VOTE ONLINE

STEP 1: VISIT <https://www.votingonline.com.au/kdragm2019>

STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)

STEP 3: Enter your Voting Access Code (VAC):

📱 BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

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

Appointment of a Second Proxy

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

To appoint a second proxy you must:

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

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

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

Proxy which is a Body Corporate

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

STEP 3 SIGN THE FORM

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

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

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

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

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

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **11:00am (AEST) on Tuesday, 7 May 2019**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

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

🖥 **Online** <https://www.votingonline.com.au/kdragm2019>

📠 **By Fax** + 61 2 9290 9655

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia

👤 **In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

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

Kidman Resources Limited

ACN 143 526 096

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

PROXY FORM

STEP 1 APPOINT A PROXY

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

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

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at **RACV Club, Level 2, Bourke Room 3, 501 Bourke Street, Melbourne, Victoria, 3000 on Thursday, 9 May 2019 at 11.00am (AEST)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolutions 1 and 3, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these Resolutions even though Resolutions 1 and 3 are connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all items of business (including Resolutions 1 and 3). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS

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

		For	Against	Abstain*
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr John Pizzey as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of prior issue of unlisted share rights to Mr John Pizzey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2019