
PEEL MINING LIMITED

ACN 119 343 734

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10.00am

DATE: 10th October 2017

PLACE: 1/34 Kings Park Road, West Perth, WA 6005

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

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 10:00am (WST) on 8th October, 2017.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – APPROVAL OF DISPOSAL OF INTEREST IN WA ASSETS

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

“That, for the purposes of ASX Listing Rule 11.4 and for all other purposes, Shareholders approve the sale of an interest in the assets of Apollo Mining Pty Ltd on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, and a party to the transaction to acquire the Tenements, plant and equipment and contractual rights of Apollo Mining Pty Ltd and any associate of that party (or those parties). However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, if 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.

Dated: 8th September 2017

By order of the Board

Ryan Woodhouse
Company Secretary

Voting in person

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

Voting by proxy

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

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

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

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

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9382 3955.

EXPLANATORY STATEMENT

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

1. RESOLUTION 1 – APPROVAL OF DISPOSAL OF THE ASSETS

1.1 Background

As announced on 8th September 2017, the Company's wholly owned subsidiary, Apollo Hill Mining Pty Ltd (ACN 085 753 126) (**Apollo**) has entered into a binding agreement (**Agreement**) with one of the Company's other wholly owned subsidiaries Saturn Metals Limited (ACN 619 488 498) (**Saturn**), pursuant to which the Company has agreed to sell its interest in the tenements and contractual rights and obligations of Apollo (**Assets**), which form the Company's Apollo Hill Project in Western Australia, to Saturn (**Disposal**). Further details with respect to the Apollo Hill Project are set out in Section 1.2 below.

Saturn was incorporated on 2 June 2017. The issued and paid up capital of Saturn is \$1 comprising 1 share, which was issued to, and is currently held by, the Company.

In consideration for the Assets, Saturn has agreed to issue to the Company, as Apollo's nominee (please refer to Section 1.3(c) for more details in this regard), 20,000,000 fully paid ordinary shares in the capital of Saturn (**Consideration Shares**). Following the Disposal, Saturn will undertake a capital raising via an initial public offer (**Public Offer**) with a view to listing on the ASX. Under the Public Offer, Saturn will seek to raise a minimum of \$4,000,000 through the issue of 20,000,000 Saturn Shares at an issue price of \$0.20 and will accept oversubscriptions for an additional 15,000,000 Saturn Shares to raise an additional \$3,000,000. Post the Initial Public Offer, the Company will hold 20,000,001 Saturn Shares, giving it a voting power in Saturn of 36.4% in the event of a \$7 million raise and 50.0% interest in the event of a \$4 million raise.

A priority offer will be given to existing Peel shareholders to acquire shares in Saturn, which will accompany the initial Public Offer.

1.2 About Apollo Hill Project

Apollo Hill is located 60km southeast of Leonora, Western Australia comprises over 996km² of granted tenure and applications (**Apollo Hill Project**).

The Apollo Hill Project is wholly owned by the Company as at the date of this Notice.

Two main gold deposits define the Apollo Hill Project including the:

- (a) Apollo Hill main zone; and
- (b) Ra zone.

Both deposits exhibit the hallmarks of a major mineralised Archean gold system, showing extensive and intense hydrothermal alteration and deformation.

As outlined in the Company's Annual Report for the financial year ending 30 June 2016 (**Annual Report**), the Company entered into an option agreement with Hampton Hill Mining NL in 2010 to acquire the entire issued capital of Apollo and exercised the option in November 2010.

The Company has since consolidated the Apollo Hill Project landholding of granted tenure and applications, with multiple prospective targets identified over the broader area.

In its quarterly activities report for the September 2016 quarter, released to the ASX on 31 October 2016 (**Quarterly Report**), the Company reported that the Company's WA landholding was further consolidated with applications submitted for an additional four exploration licences. Areas covered include the south-eastern extension of the NW- SE trending Keith-Kilkenny Shear Zone along which the Apollo Hill prospects, such as 'The Eye' magnetic high anomaly on E31/1076, are located.

For further detail on the Apollo Hill Project, refer to the Annual Report and the Quarterly Report. For further information in respect of the Tenements, refer to Schedule 1.

1.3 Terms of disposal

As set out in Section 1.1, the Company has entered into Agreement with Saturn to acquire 100% of the Assets.

Set out below is a summary of the key terms of the Agreement:

- (a) Saturn has agreed to purchase the Assets from Apollo for consideration of 20,000,000 fully paid ordinary shares in Saturn shares (**Consideration Shares**);
- (b) the Consideration Shares will have a deemed issue price of \$0.20 each;
- (c) Apollo has agreed to nominate the Company to receive the Consideration Shares in full and final satisfaction of a loan between Apollo and the Company;
- (d) Apollo has provided representations, warranties and indemnities in respect of the Apollo Hill Project which are usual for an agreement of this nature;
- (e) the Company has agreed to guarantee Apollo's obligations under the Agreement; and
- (f) Saturn has agreed to assume the following royalties which relate to the Apollo Hill Project:
 - (i) 5% gross overriding royalty on all gold production from the Apollo Hill Project payable to Hampton Hill Mining NL; and
 - (ii) \$1.00 per tonne of ore processed for production of gold from M39/296 which is part of the Apollo Hill Project to various previous vendors of that tenement.

1.4 Listing Rule 11.4

Listing Rule 11.4 provides that a company must not dispose of a major asset if, at the time of the disposal, it is aware that the entity acquiring the asset intends to issue or offer securities with a view to becoming listed. However, the rule does not apply in the following cases:

- (a) the securities except those to be retained by the Company, are offered pro rata to shareholders, or in another way that in ASX's opinion is fair in all the circumstances; or

- (b) the Company's Shareholders approve the disposal without a pro-rata offer being made.

The Company is seeking shareholder approval under Listing Rule 11.4.1(b).

1.5 Indicative Timetable

The Company anticipates that the indicative timetable for implementation of the Sale will be as set out below:

Event	Date
Dispatch of Notice of Meeting	8th September 2017
Date of Meeting	10th October 2017
Settlement of the Disposal	10th October 2017
Issue of prospectus by Saturn for the Public Offer	11th October 2017
Opening date of Public Offer (Including Priority Offer)	18th October 2017
Closing date of Priority Offer	8th November 2017
Closing date of Public Offer	29th November 2017
Saturn admitted to trading on ASX	20th December 2017

**The above dates are indicative only and may change without notice.*

1.6 Impact of the Disposal on the Company

As outlined in Section 1.1 above, whilst the Company will not wholly own the Assets following settlement of the Disposal, it will still retain a percentage interest in Saturn, which will be dependent on the amount raised under the Public Offer. The Company will therefore also have an interest in the cash raised under the Public Offer.

At 30 June 2017, the Company carried the Assets of the Apollo Hill Project on its balance sheet at a value of \$3,351,969.

1.7 Advantages and Disadvantages

The Directors have assessed the advantages and disadvantages of the Disposal as set out below, and are of the view that the advantages outweigh the disadvantages and accordingly, the Disposal is in the best interests of the Company.

(a) Advantages

- (i) The Company will retain an interest in Saturn following the Public Offer. As such, the Company retains exposure to any upside attached to the Assets without having all of the associated risks and financing requirements.
- (ii) By disposing of the assets and subsequently floating Saturn, it will provide the project with the capital requirements and dedicated team to allow it to progress. It will also enable continued exploration on the surrounding prospective tenure.

- (iii) Following the Disposal, Public Offer and subsequent listing of Saturn, the Company will have the capacity to focus primarily on the development and exploration of its NSW Assets.

(b) **Disadvantages**

- (i) The Company will no longer be the legal owner of the Assets. As such, the Company will no longer directly control the development of the Apollo Hill Project.
- (ii) There is no guarantee that, after the trading restrictions in respect of the Consideration Shares are lifted, the market for the Shares in Saturn will be liquid so that the Company can realise cash from the Consideration Shares.
- (iii) There is no guarantee that the market price of Saturn Shares will increase, and as such the value attributable to the Company's Saturn Shares and its indirect interest in the Assets, may decrease.

1.8 Future direction of Company following Disposal

Following settlement of the Disposal, the Company intends to focus on developing and exploring its prospects in the Cobar Basin in New South Wales (**NSW Assets**). For further details on the New South Wales Assets, refer to the Annual Report.

1.9 Directors Recommendations

Based on the information available, each of the Directors considers that the Disposal is in the best interests of the Company. The Directors therefore unanimously recommend Shareholders vote in favour of Resolution 1.

GLOSSARY

\$ means Australian dollars.

Agreement has the meaning given to it in Section 1.1.

Annual Report means the Peel Mining Limited Annual Report for the financial year end 30 June 2016.

Apollo means Apollo Hill Mining Pty Ltd (ACN 085 753 126).

Apollo Hill Project has the meaning given to it in Section 1.2.

ASIC means the Australian Securities & Investments Commission.

Assets means the Tenements, plant and equipment and contractual rights of Apollo Hill Mining Pty Ltd.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

Company means Peel Mining Limited (ACN 119 343 734).

Consideration Shares has the meaning given to it in Section 1.1.

Constitution means the Company's constitution.

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

Disposal has the meaning given to it in Section 1.1.

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

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

NSW Assets has the meaning given to it in Section 1.8.

Proxy Form means the proxy form accompanying the Notice.

Public Offer has the meaning given to it in Section 1.1.

Quarterly Report means the Peel Mining Limited Quarterly Report for the quarter ending 30 September 2016.

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

Saturn means Saturn Metals Limited (ACN 619 488 498).

Section means a section of the Explanatory Statement.

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

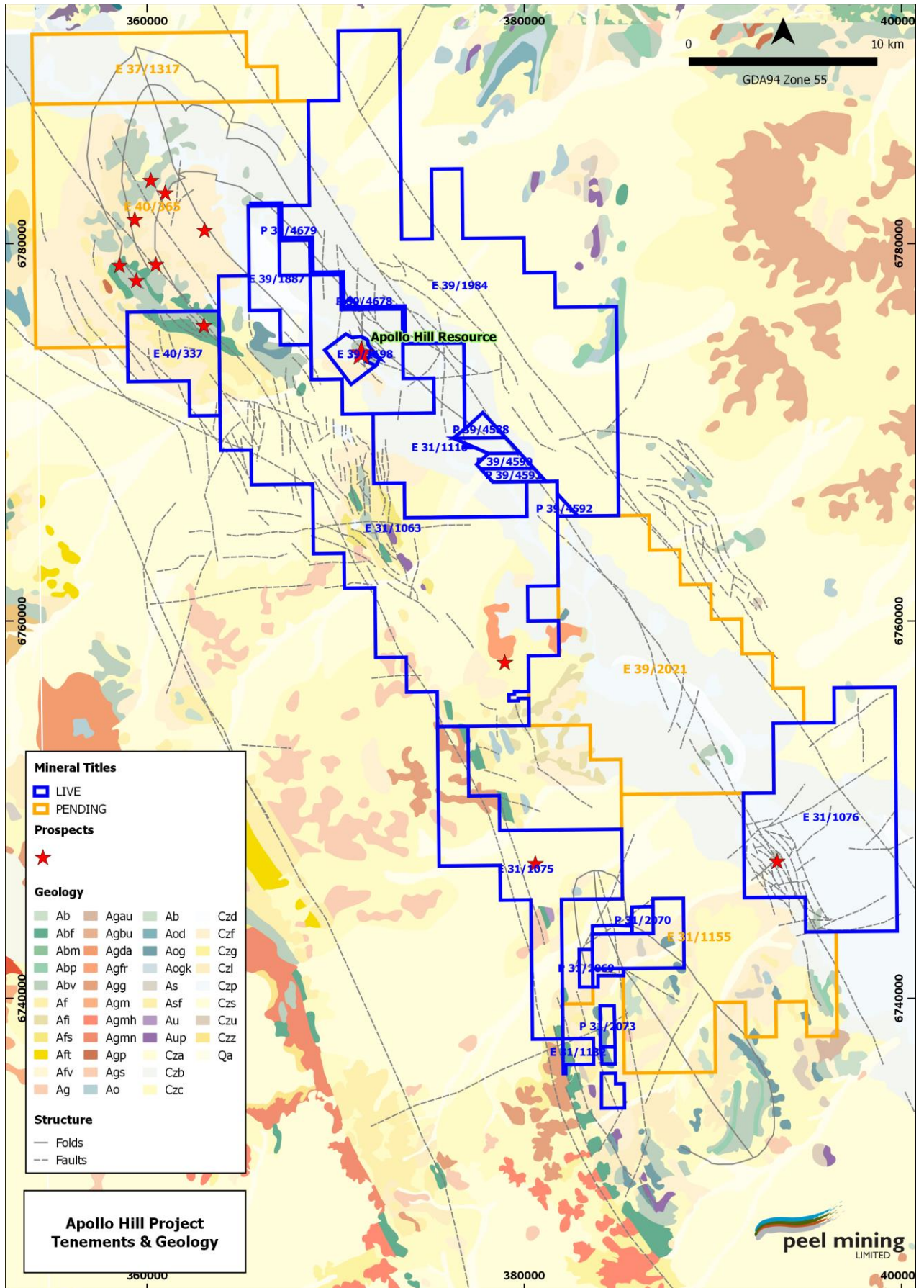
Shareholder means a registered holder of a Share.

Tenements means the list of tenements set out in Item 2 of Schedule 1.

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

SCHEDULE 1 – APOLLO HILL PROJECT

1. Apollo Hill Project Tenements & Geology



2. List of Tenements

TENEMENT	PROJECT	LOCATION	OWNERSHIP
E39/1198	Apollo Hill	Leonora, WA	100%
P39/4588	Apollo Hill	Leonora, WA	100%
P39/4589	Apollo Hill	Leonora, WA	100%
P39/4590	Apollo Hill	Leonora, WA	100%
P39/4591	Apollo Hill	Leonora, WA	100%
P39/4592	Apollo Hill	Leonora, WA	100%
P39/4677	Apollo Hill	Leonora, WA	100%
P39/4678	Apollo Hill	Leonora, WA	100%
P39/4679	Apollo Hill	Leonora, WA	100%
E39/1887	Apollo Hill	Leonora, WA	100%
M39/296	Isis	Leonora, WA	100%
E40/0337	The Gap	Leonora, WA	100%
E31/1063	Apollo Hill South	Leonora, WA	100%
E31/1075	Yerilla	Leonora, WA	100%
E31/1076	Mt Remarkable	Leonora, WA	100%
M31/486	Apollo Hill ML	Leonora, WA	100%
E31/1087	Rise Again	Leonora, WA	100%
P31/2071	Rise Again	Leonora, WA	100%
P31/2069	Rise Again	Leonora, WA	100%
P31/2072	Rise Again	Leonora, WA	100%
P31/2073	Rise Again	Leonora, WA	100%
P31/2068	Rise Again	Leonora, WA	100%
P31/2070	Rise Again	Leonora, WA	100%
E31/1116	Apollo Hill	Leonora, WA	100%
E31/1132	Apollo Hill	Leonora, WA	100%
E39/1984	Apollo Hill	Leonora, WA	100%

Tenements under application

TENEMENT	PROJECT	LOCATION	STATUS
E40/365	27 Well	Leonora, WA	Under application
E31/1149	Apollo Hill	Leonora, WA	Under application
E39/2021	Apollo Hill	Leonora, WA	Under application
E37/1317	Zues	Leonora, WA	Under application


LODGE YOUR VOTE

 **ONLINE**
www.linkmarketservices.com.au

 **BY MAIL**
Peel Mining Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

 **BY FAX**
+61 2 9287 0309

 **BY HAND**
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138

 **ALL ENQUIRIES TO**
Telephone: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a shareholder(s) of Peel Mining Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

STEP 1

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the General Meeting of the Company to be held at **10:00am (WST) on Tuesday, 10 October 2017 at 1/34 Kings Park Road, West Perth, WA 6005 (the Meeting)** and at any postponement or adjournment of the Meeting.

The Chairman of the Meeting intends to vote undirected proxies in favour of each resolution.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

Resolutions

For Against Abstain*

1 Approval of Disposal of Interest in WA Assets

STEP 2



* 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 votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

STEP 3



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

If you leave this section blank, or your named proxy does not attend the Meeting, the Chairman of the Meeting will be your proxy. If your named proxy attends the Meeting but does not vote on a poll on a resolution in accordance with your directions, the Chairman of the Meeting will become your proxy in respect of that resolution. A proxy need not be a shareholder of the Company.

PROXY VOTING BY THE CHAIRMAN OF THE MEETING

On a poll, the Chairman of the Meeting will vote directed proxies as directed and may vote undirected proxies as the Chairman of the Meeting sees fit. If the Chairman of the Meeting is your proxy or becomes your proxy by default, and you do not provide voting directions, then by submitting the Proxy Form you are expressly authorising the Chairman of the Meeting to exercise your proxy on resolutions that are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

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

SIGNING INSTRUCTIONS

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

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

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

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

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am (WST) on Sunday, 8 October 2017**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



BY MAIL

Peel Mining Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

* During business hours (Monday to Friday, 9:00am–5:00pm)



COMMUNICATIONS PREFERENCE

We encourage you to receive all your shareholder communication via email. This communication method allows us to keep you informed without delay, is environmentally friendly and reduces print and mail costs.



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Communications' and click the first button to receive all communications electronically and enter your email address. To use the online facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**