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**VALOR RESOURCES LIMITED****ACN 076 390 451****NOTICE OF GENERAL MEETING**

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**TIME:** 2.00pm (WST)**DATE:** 21 September 2018**PLACE:** Level 1, Allendale Square, 77 St Georges Terrace  
Perth, WA 6000

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

*Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 9200 3467.*

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## IMPORTANT INFORMATION

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### Time and place of Meeting

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Notice is given that the Meeting will be held at 2:00pm (WST) on 21 September 2018 at Level 1, Allendale Square, 77 St Georges Terrace, Perth, WA 6000.

### Your vote is important

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

### Voting eligibility

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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 2:00pm (WST) on 19 September 2018.

### Voting in person

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

### Voting by proxy

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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.

Further details on these changes are set out below.

### ***Proxy vote if appointment specifies way to vote***

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (ie 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 (ie 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 (ie as directed).

### ***Transfer of non-chair proxy to chair in certain circumstances***

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

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
  - the proxy is not recorded as attending the meeting; 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.

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## BUSINESS OF THE MEETING

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### AGENDA

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#### 1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF SHARES - PLACEMENT

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 7.4 and for all other purposes, Shareholders ratify the issue of 188,355,608 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue or 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.

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#### 2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF SHARES - PLACEMENT

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 7.4 and for all other purposes, Shareholders ratify the issue of 91,644,392 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue or an associate 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.

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#### 3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SHARES – TOP UP RIGHT

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

*“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 31,539,170 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue or an associate 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.

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#### 4. RESOLUTION 4 – APPROVAL TO ISSUE NEW OPTIONS - PLACEMENT

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

*“That for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 280,000,000 New Options on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of 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 or 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.

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#### 5. RESOLUTION 5 – APPROVAL OF DIRECTOR PARTICIPATION – MR BRIAN MCMASTER

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

*“That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 10,000,000 Shares and 10,000,000 New Options to Mr Brian McMaster (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Brian McMaster (and his nominee) or 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 meetings 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.

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#### 6. RESOLUTION 6 – APPROVAL OF DIRECTOR PARTICIPATION – MR MARK SUMNER

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

*“That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 5,000,000 Shares and 5,000,000 New Options to Mr Mark Sumner (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Mark Sumner (and his nominee) or 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 meetings 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.

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## 7. RESOLUTION 7 – APPROVAL OF DIRECTOR PARTICIPATION – MS PAULA SMITH

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

*“That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 5,000,000 Shares and 5,000,000 New Options to Ms Paula Smith (or her nominee) on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of Ms Paula Smith (and her nominee) or 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 meetings 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.

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## 8. RESOLUTION 8 – APPROVAL TO ISSUE LEAD MANAGER OPTIONS

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

*“That for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 100,000,000 New Options on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of 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 or 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.

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## 9. RESOLUTION 9 – APPROVAL TO ISSUE SHARES – TOP UP RIGHT

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

*“That for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 46,148,730 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of 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 or 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.

**Dated: 20 August 2018**

**By order of the Board**

**Paula Smith  
Company Secretary**

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## EXPLANATORY STATEMENT

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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.

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### 1. BACKGROUND

#### 1.1 General

As announced by the Company on 6 August 2018, the Company received firm commitments from sophisticated investors to raise \$3,000,000 (before costs) at \$0.01 per Share together with a one for one New Option for every Share issued (**Placement**).

The New Options are exercisable at an exercise price of \$0.015 with an expiry date of 31 December 2021. Full terms of the New Options are set out in Schedule 1.

The funds raised from the Placement will be used to further activities on the Company's projects, specifically a copper, silver and manganese project located in South Eastern Peru (**Berenguela Project**) and for working capital purposes.

On 15 August 2018, the Company issued the first tranche of Shares under the Placement, being 280,000,000 Shares to unrelated investors in the Placement. 188,355,608 Shares were issued under the Company's capacity pursuant to Listing Rule 7.1 and 91,644,392 Shares were issued under the Company's capacity pursuant to Listing Rule 7.1A. The Company is seeking ratification of the issues under **Resolutions 1 and 2**.

The attaching New Options to the 280,000,000 Shares issued will be issued subject to Shareholder approval being obtained under **Resolution 4**.

The remaining 20,000,000 Shares under the Placement were subscribed for by three Directors of the Company, Mr McMaster, Mr Sumner and Ms Smith. Accordingly, the Company is seeking Shareholder approval pursuant to Listing Rule 10.11 to allow the Directors to participate in the Placement on the same terms as unrelated investors (refer to **Resolutions 5, 6 and 7**).

The Company engaged CPS Capital Group Pty Ltd (**CPS Capital**) as the lead manager and broker to the Placement. As part of the consideration for the services provided, the Company agree to issue CPS Capital 100,000,000 New Options. Shareholder approval for the issue of the New Options to CPS Capital is being sought under **Resolution 8**.

Pursuant to the terms of the acquisition for the Berenguela Project, which completed on 3 May 2017, the vendor, SSR Mining Inc (previously named Silver Standard Resources Inc) (**SSR**), is entitled to be issued such number of shares as would result in SSR maintaining a voting power in the Company of 9.9% (on a fully diluted basis) concurrently with any issue of Shares (**Top Up Right**). Accordingly, following the finalisation of the issue of 280,000,000 Shares under the Placement, 31,539,170 Shares were issued to SSR pursuant to the Top Up Right. The Shares were placed using the Company's existing 15% placement capacity under ASX Listing Rule 7.1 and the issue is being ratified under **Resolution 3**.

Subject to Shareholder approval, following the issues of securities proposed under Resolutions 3, 4, 5, 6, 7 and 8, SSR will also be entitled to receive up to 46,148,730 Shares, pursuant to the Top Up Right. Approval to issue the Shares under the Top Up Right is being sought under **Resolution 9**.



The Company notes that it intends to seek quotation of the New Options to be issued and therefore it is intended that the New Options will be transferrable. Accordingly, in order to remove any on sale restrictions that might apply to the New Options the Company intends to issue a prospectus in respect of issues of New Options.

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## **2. RESOLUTION 1 AND 2 – RATIFACITON OF PRIOR ISSUE OF SHARES**

### **2.1 General**

As detailed in Section 1.1 above, the Company is seeking Shareholder approval to ratify the issue of 280,000,000 Shares that were issued on 15 August 2018 pursuant to the Placement raising \$2,800,000.

Of the 280,000,000 Shares issued, 188,355,608 Shares were issued under the Company's capacity pursuant to ASX Listing Rule 7.1 and 91,644,392 Shares were issued under the Company's capacity pursuant to ASX Listing Rule 7.1A.

Resolutions 1 and 2 seek Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares.

### **2.2 Resolution 1 – ASX Listing Rule 7.1**

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.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

### **2.3 Resolution 2 – ASX Listing Rule 7.1A**

ASX Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period for which the approval is valid a number of quoted equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in ASX Listing Rule 7.1.

Where an eligible entity obtains shareholder approval to increase its placement capacity under ASX Listing Rule 7.1A then any ordinary securities issued under that additional placement capacity:

- (a) will not be counted in variable "A" in the formula in ASX Listing Rule 7.1A; and
- (b) are counted in variable "E",

until their issue has been ratified under ASX Listing Rule 7.4 (and provided that the previous issue did not breach ASX Listing Rule 7.1A) or 12 months has passed since their issue.

By ratifying the issue the subject of Resolution 2, the base figure (ie variable "A") in which the Company's 15% and 10% annual placement capacities are calculated will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval.

## **2.4 Technical information required by ASX Listing Rule 7.4**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolutions 1 and 2:

- (a) 280,000,000 Shares were issued on the following basis:
  - (i) 188,355,608 Shares issued pursuant to ASX Listing Rule 7.1 (ratification being sought under Resolution 1); and
  - (ii) 91,644,392 Shares issued pursuant to ASX Listing Rule 7.1A (ratification being sought under Resolution 2);
- (b) the issue price was \$0.01 per Share under both the issues of Shares pursuant to ASX Listing Rule 7.1 and ASX Listing Rule 7.1A;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to sophisticated investors. None of these subscribers were related parties of the Company; and
- (e) the funds raised from this issue were used for furthering activities on the Company's projects, specifically the Berenguela Project and for working capital purposes.

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## **3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SHARES – TOP UP RIGHT**

### **3.1 General**

As detailed in Section 1.1, following the issue of 280,000,000 on 15 August 2018, the Company issued 31,539,170 Shares to SSR as part of the Top Up Right.

The Shares were issued under the Company's capacity pursuant to ASX Listing Rule 7.1.

Resolution 3 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the 31,539,170 Shares.

A summary of ASX Listing Rule 7.1 and 7.4 is set out in Section 2.2 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

### **3.2 Technical information required by ASX Listing Rule 7.4**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Ratification B:

- (a) 31,539,170 Shares were issued;
- (b) the Shares were issued for nil cash consideration in satisfaction of part consideration under the terms of the acquisition of the Berenguela Project;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to the vendor of the Berenguela Project, SSR who is not a related party of the Company; and
- (e) the Shares were issued for nil consideration and accordingly no funds were raised as a result of the issue.

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## **4. RESOLUTION 4 – APPROVAL TO ISSUE NEW OPTIONS - PLACEMENT**

### **4.1 General**

Under the terms of the Placement all subscribers are to be issued New Options on a one for one basis for every Share subscribed for and issued.

Accordingly, Resolution 4 seeks Shareholder approval for the issue of the attaching options to participants in the Placement, being up to 280,000,000 New Options.

A summary of ASX Listing Rule 7.1 is set out in Section 2.2 above.

The effect of Resolution 4 will be to allow the Company to issue the New Options 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.

### **4.2 Technical information required by ASX Listing Rule 7.1**

In accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of the Securities under Resolution 4:

- (a) the maximum number of New Options to be issued is 280,000,000;
- (b) the New Options will be issued 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 ASX Listing Rules) and it is anticipated that all of the New Options will be issued on the same day;
- (c) the issue price of the New Options will be nil, as they will be issued for nil consideration to the subscribers under the Placement on the basis of one New Option for each Share issued under the Placement;
- (d) the New Options will be issued to subscribers under the Placement as the subject of Resolution 1 and 2. None of the recipients are related parties of the Company; and
- (e) the New Options will be issued on the terms set out in Schedule 1 to this Notice of Meeting;
- (f) no funds will be raised from the issue as the New Options will be issued for nil consideration to the subscribers under the Placement on the basis of one New Option for each Share issued under the Placement.

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## 5. RESOLUTION 5 TO 7 – APPROVAL OF DIRECTOR PARTICIPATION

### 5.1 General

As detailed in Section 1.1 above, the Directors have agreed to participate in the Placement subscribing for 20,000,000 Shares as follows:

- (a) 10,000,000 Shares subscribed for by Mr Brian McMaster (or his nominee) (approval for which is being sought under Resolution 5);
- (b) 5,000,000 Shares subscribed for by Mr Mark Sumner (or his nominee) (approval for which is being sought under Resolution 6);
- (c) 5,000,000 Shares subscribed for by Ms Paula Smith (or her nominee) (approval for which is being sought under Resolution 7); and

(together, the **Related Party Participation**).

As per the terms of the Placement the Directors will receive New Options on the basis of one New Option for every Share issued under the Placement.

The Company is seeking Shareholder approval for the Related Party Participation in the Placement on the same terms as other investors.

### 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 Related Party Participation will result in the issue of Shares and New Options which constitutes giving a financial benefit.

Messrs McMaster, Sumner and Ms Smith are related parties of the Company by virtue of being Directors.

The Directors (other than Mr McMaster who has a material personal interest in Resolution 5) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 5 because the Shares and New Options will be issued to Mr McMaster at arm's length on the same terms as Shares and New Options issued to non-related party participants in the Placement.

The Directors (other than Mr Sumner who has a material personal interest in Resolution 6) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 6 because the Shares and New Options will be issued to Mr Sumner at arm's length on the same terms as Shares and New Options issued to non-related party participants in the Placement.

The Directors (other than Ms Smith who has a material personal interest in Resolution 7) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 7 because the Shares and New Options will be issued to Ms Smith at arm's length on the same terms as Shares and New Options issued to non-related party participants in the Placement.

### **5.3 Section 195(4) of the Corporations Act**

Section 195 of the Corporations Act provides that a Director of a public company may not vote or be present during meetings of Directors when matters in which that Director holds a "material personal interest" are being considered, except in certain limited circumstances. Section 195(4) relevantly provides that if there are not enough Directors to form a quorum for a Directors meeting because of this restriction, one or more of the Directors may call a general meeting and the general meeting may pass a resolution to deal with the matter.

It might be argued (but it is neither conceded nor, indeed, is it thought by the Board to be the case) that three of the four Directors comprising the Board (the Directors participating in the Placement) have a material personal interest in the outcome of Resolutions 5, 6 and 7. If each does have such an interest, then a quorum could not be formed to consider the matters contemplated by Resolution 5, 6 and 7 at Board level.

Accordingly, for the avoidance of any doubt, and for the purpose of transparency and best practice corporate governance, the Company is also seeking Shareholder approval for Resolutions 5, 6 and 7 for the purposes of section 195(4) of the Corporations Act in respect of the decision not to seek Shareholder approval under Chapter 2E of the Corporations Act.

### **5.4 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 Related Party Participation involves the issue of Shares and New Options to a related party 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.

### **5.5 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 the Related Party Participation:

- (a) the Shares and New Options will be issued to Messrs McMaster, Sumner and Ms Smith (or their nominees);
- (b) the maximum number of Shares to be issued is:
  - (i) 10,000,000 Shares to Mr McMaster (or nominees) (Resolution 5);
  - (ii) 5,000,000 Shares to Mr Sumner (or nominees) (Resolution 6); and
  - (iii) 5,000,000 Shares to Ms Smith (or nominees) (Resolution 7).

- (c) the maximum number of New Options to be issued is:
  - (i) 10,000,000 New Options to Mr McMaster (or nominees) (Resolution 5);
  - (ii) 5,000,000 New Options to Mr Sumner (or nominees) (Resolution 6); and
  - (iii) 5,000,000 New Options to Ms Smith (or nominees) (Resolution 7).
- (d) the Shares and New Options will be issued 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);
- (e) the issue price of the Shares will be \$0.01 per Share, being the same as all other Shares issued under the Placement and will raise a total amount of \$200,000 for the Company as follows:
  - (i) \$100,000 through the participation of Mr McMaster (Resolution 5);
  - (ii) \$50,000 through the participation of Mr Sumner (Resolution 6); and
  - (iii) \$50,000 through the participation of Ms Smith (Resolution 7).
- (f) the issue price of the New Options will be nil, being issued on a one for one basis for each Share subscribed for under the Placement;
- (g) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (h) the New Options will be issued on the terms and conditions set out in Schedule 1; and
- (i) the funds raised of \$200,000 will be used to further activities on the Company's projects (specifically the Berengeula Project) and for working capital, the same purpose as all other funds raised under the Placement.

Approval pursuant to ASX Listing Rule 7.1 is not required for the Related Party Participation as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares and New Options to Messrs McMaster, Sumner and Ms Smith (or their nominees) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

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## **6. RESOLUTION 8 – APPROVAL TO ISSUE LEAD MANAGER OPTIONS**

### **6.1 General**

As stated above at Section 1.1, CPS Capital acted as lead broker and manager of the Placement.

As part consideration for the lead broker and manager services provided, the Company agreed to issue CPS Capital or its nominee, 100,000,000 New Options (**Lead Manager Options**) subject to Shareholder approval.

All Lead Manager Options will be issued to CPS Capital or its nominee, none of whom are related parties or associates of the Company.

Resolution 8 seeks Shareholder to issue the 100,000,000 Lead Manager Options to CPS Capital or its nominee.

A summary of ASX Listing Rule 7.1 is set out in Section 2.2 above.

The effect of Resolution 8 will be to allow the Company to issue the Lead Manager Options 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**

In accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of the Securities under Resolution 8:

- (a) the maximum number of Lead Manager Options to be issued is 100,000,000 Options;
- (b) the Lead Manager Options will be issued 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 ASX Listing Rules) and it is anticipated that all of the Lead Manager Options will be issued on the same day;
- (c) the Lead Manager Options were issued for nil cash consideration in satisfaction of services performed for the Company;
- (d) the Lead Manager Options will be issued to CPS Capital or its nominee who are not related parties of the Company;
- (e) the Lead Manager Options will be issued on the terms set out in Schedule 1 to this Notice of Meeting;
- (f) no funds will be raised from the issue as the Lead Manager Options will be issued in consideration for lead manager and broker services provided to the Company by CPS Capital.

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## **7. RESOLUTION 9 – APPROVAL TO ISSUE SHARES – TOP UP RIGHT**

### **7.1 General**

As stated above at Section 1.1, in accordance with the terms of the acquisition of the Berenguela Project, SSR was given a Top Up Right. Accordingly, following the issues of the Shares and the New Options proposed pursuant to Resolutions 4, 5, 6, 7 and 8, the Company will need to issue up to approximately 46,148,730 Shares to SSR pursuant to the Top Up Right (**Top Up Shares**).

Resolution 9 seeks Shareholder approval to issue up to 46,148,730 Top Up Shares to SSR.

A summary of ASX Listing Rule 7.1 is set out in Section 2.2 above.

The effect of Resolution 9 will be to allow the Company to issue the Top Up Shares 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.

### **7.2 Technical information required by ASX Listing Rule 7.1**

In accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of the Securities under Resolution 9:

- (a) the maximum number of Top Up Shares to be issued is 46,148,730;
- (b) the Top Up Shares will be issued 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 ASX Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (c) the Shares will be issued for nil cash consideration in satisfaction of consideration under the terms of the acquisition of the Berenguela Project;
- (d) the Top Up Shares to be issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Top Up Shares will be issued to SSR who is not a related party of the Company; and
- (f) the Top Up Shares will be issued for nil cash consideration pursuant to the acquisition terms of the Berenguela Project, accordingly no funds will be raised.



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## GLOSSARY

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**\$** means Australian dollars.

**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.

**Berenguela Project** means the Company's Copper-Silver-Manganese project in Peru.

**Board** means the current board of directors of the Company.

**Chair** means the chair of the Meeting.

**Company** means Valor Resources Limited (ACN 076 390 451).

**Constitution** means the Company's constitution.

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

**CPS Capital** means CPS Capital Group Pty Ltd.

**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.

**Lead Manager Option** means the New Options to be issued to CPS Capital as partial consideration for services as lead manager and broker to the Placement.

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

**New Option** means an Option on the terms set out in Schedule 1.

**Option** means an option to acquire a Share.

**Placement** has the meaning provided in Section 1.1.

**Proxy Form** means the proxy form accompanying the Notice.

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

**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.

**SSR** means SSR Mining Inc (previously named Silver Standard Resources Inc) (a company incorporated in Canada).

**Top Up Right** has the meaning provided in Section 1.1.

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

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## SCHEDULE 1 – TERMS AND CONDITIONS OF NEW & LEAD MANAGER OPTIONS

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(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price and Expiry Date**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.015 (**Exercise Price**) each and will expire at 5:00pm AWST on 31 December 2021 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(c) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(d) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(e) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(f) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (f)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of

the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(g) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(h) **Quotation of Shares issued on exercise**

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

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.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

(m) **Restriction on exercise**

Notwithstanding any other terms of the Options, the Holder may not exercise Options to the extent that the Holder would, if Shares were issued upon exercise of those Options, have a relevant interest in the Company (itself and together with its associates) of greater than 20% in contravention of section 606 of the Corporations Act, unless the issue of Shares upon exercise is approved by Shareholders for the purpose of section 611 (Item 7) of the Corporations Act or is otherwise permitted by a relevant exception under the Corporations Act.

## Appointment of Proxy

Holder Number:

STEP 1: Appoint a Proxy	<p><b>Appoint a proxy:</b></p> <p>I/We being a Shareholder entitled to attend and vote at the General Meeting of the Company, to be held at <b>2.00pm (WST) on 21st September 2018 at Level 1, Allendale Square, 77 St Georges Terrace, Perth WA 6000</b> hereby:</p> <p><b>Appoint the Chairman of the Meeting (Chair)</b> 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 <input style="width: 200px; height: 20px;" type="text"/></p> <p>or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.</p> <p><b>The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.</b></p> <p>Unless indicated otherwise by ticking the "for," "against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.</p>																	
STEP 2: Voting Direction	<b>Resolutions</b>	<b>For</b>	<b>Against</b>	<b>Abstain</b>	<b>Resolutions</b>	<b>For</b>	<b>Against</b>	<b>Abstain</b>										
	1 Ratification of prior issue of Shares - Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Approval of director participation – Mr Mark Sumner	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>										
	2 Ratification of prior issue of Shares - Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Approval of director participation – Ms Paula Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>										
	3 Ratification of prior issue of Shares - Top Up Right	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8 Approval to issue Lead Manager Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>										
	4 Approval to issue New Options -Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Approval to Issue Shares - Top Up Right	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>										
	5 Approval of director participation – Mr Brian McMaster	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>														
	<p><i>Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.</i></p>																	
STEP 3	<p><b>SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED</b></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; text-align: center; border-bottom: 1px solid black;">Individual or Securityholder 1</td> <td style="width: 33%; text-align: center; border-bottom: 1px solid black;">Securityholder 2</td> <td style="width: 33%; text-align: center; border-bottom: 1px solid black;">Securityholder 3</td> </tr> <tr> <td style="border: 1px solid black; height: 25px;"></td> <td style="border: 1px solid black; height: 25px;"></td> <td style="border: 1px solid black; height: 25px;"></td> </tr> <tr> <td style="text-align: center; font-size: small;">Sole Director and Sole Company Secretary</td> <td style="text-align: center; font-size: small;">Director</td> <td style="text-align: center; font-size: small;">Director / Company Secretary</td> </tr> </table> <p>Contact Name..... Contact Daytime Telephone..... Date / / 2018</p> <p>Email Address _____</p>									Individual or Securityholder 1	Securityholder 2	Securityholder 3				Sole Director and Sole Company Secretary	Director	Director / Company Secretary
Individual or Securityholder 1	Securityholder 2	Securityholder 3																
Sole Director and Sole Company Secretary	Director	Director / Company Secretary																

## HOW TO COMPLETE THIS PROXY VOTING FORM

### LODGING YOUR PROXY VOTE

This Proxy Voting Form (and any Power of Attorney under which it is signed) must be received at an address given below by 2.00pm (WST) on 19th September 2018 being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting Forms received after that time will not be valid for the scheduled Meeting.

Voting Forms can be lodged:

 **BY MAIL**  
Valor Resources Limited  
22 Lindsay Street  
Perth, WA 6000

 **BY EMAIL**  
info@valorresources.com.au

 **BY FACSIMILE**  
+61 8 9227 6390

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

### VOTING UNDER STEP 1 - APPOINTING A PROXY

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. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chairman of the Meeting will be appointed as your proxy by default.

### DEFAULT TO THE CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions 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 marking 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 SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services on 1300 288 664 or you may copy this form.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided

**Individual:** Where the holding is in one name, the Shareholder must sign.

**Joint holding:** Where the holding is in more than one name, all of the Shareholders should sign.

**Power of attorney:** If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

**Companies:** To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

**Email Address:** Please provide your email address in the space provided.

**By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.**

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

### ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

### OTHER RESOLUTIONS

Should any resolution, other than those specified in this Proxy Voting Form, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.

### POWER OF ATTORNEY

If a representative as power of attorney of a Shareholder of the Company is to attend the Meeting, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms.