

RED RIVER RESOURCES LIMITED

ACN 100 796 754

Notice of Annual General Meeting and Explanatory Memorandum

Date of Meeting: **Friday 17 November 2017**

Time of Meeting: **10:30 am AEDT**

Place of Meeting: **Institute of Chartered Accountants Australia
Level 18 Bourke Place
600 Bourke Street
MELBOURNE VICTORIA 3000**

Notice of Annual General Meeting

Notice is given that the annual general meeting of the holders of the ordinary shares in Red River Resources Limited ACN 100 796 754 (**Company**) (**Shareholders**) will be held at the Institute of Chartered Accountants Australia on Level 18, 600 Bourke Street, Melbourne, Victoria on Friday, 17 November 2017 at 10:30 am (AEDT).

Capitalised terms used in this Notice of Meeting and the Explanatory Memorandum have the meaning ascribed to them in the Explanatory Memorandum.

This Notice of Meeting should be read in its entirety, together with the Explanatory Memorandum and the enclosed proxy form. All references to sums of money, '\$' and 'dollars' are references to Australian currency.

ORDINARY BUSINESS:

Financial Statements:

To receive and consider the financial statements and the reports of the Company's directors and the Company's auditors for the financial year ended 30 June 2017.

These statements and reports can be viewed in the Company's 2017 Annual Report, which is available at www.redriverresources.com.au.

Note: There is no requirement for Shareholders to approve the financial statements and reports and accordingly no resolution will be put to Shareholders regarding this item of business.

1. Resolution 1 – Re-election of Mr Brett Fletcher as a Director

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

"That, Mr Brett Fletcher, who retires by rotation in accordance with clause 11.3 of the Company's constitution, who is eligible and has offered himself for re-election, be re-elected as a director of the Company."

2. Resolution 2 – Re-election of Mr Timothy Marcus Stephen Hanlon (Mark Hanlon) as a Director

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

"That, Mr Mark Hanlon, who retires by rotation in accordance with clause 11.3 of the Company's constitution, who is eligible and has offered himself for re-election, be re-elected as a director of the Company."

3. Resolution 3 – Adoption of Remuneration Report

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

"That the Company's Remuneration Report for the financial year ended 30 June 2017 be adopted."

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Voting Exclusion Statement: The Company will disregard any votes cast (in any capacity) on Resolution 3 by, or on behalf of, a member of the Key Management Personnel (**KMP**) whose remuneration details are included in the Company's Remuneration Report for the year ended 30 June 2017, or a Closely Related Party of such a person, unless the vote is cast as proxy for a person who is entitled to vote on Resolution 3 and the vote is:

- (a) cast in accordance with directions on the Proxy Form specifying how the proxy is to vote;
or
- (b) cast by the Chair of the Meeting and the Proxy Form does not specify the way to vote and expressly authorises the Chair to vote as they decide even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

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SPECIAL BUSINESS:

4. Resolution 4 - Issue of Performance Rights to Mr. Melkon (Mel) Palancian

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

"That, for the purposes of Listing Rule 10.14 and for all other purposes, the issue of 857,143 Performance Rights to Mr Mel Palancian, a Director of the Company, pursuant to the Company's Performance Rights Plan and the terms set out in the Explanatory Memorandum, be approved."

Voting exclusion: The Company will disregard any votes cast on Resolution 4 by any director of the Company and any of their Associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or it is cast by the Chair of the Meeting as a proxy for a person who is entitled to vote, in accordance with the direction on the Proxy Form to vote as the proxy decides.

Further, a vote must not be cast on Resolution 4 (and will be taken not to have been cast if cast contrary to this restriction) by a member of the KMP and any Closely Related Party of such a member acting as a proxy, if their appointment does not specify the way the proxy is to vote on this Resolution 4. However, a member of the KMP or any Closely Related Party of such a member may vote when acting as proxy if the person is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

5. Resolution 5 - Issue of Performance Rights to Mr. Donald Garner

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

"That, for the purposes of Listing Rule 10.14 and for all other purposes, the issue of 400,000 Performance Rights to Mr Donald Garner, a Director of the Company, pursuant to the Performance Rights Plan and the terms set out in the Explanatory Memorandum, be approved."

Voting exclusion: The Company will disregard any votes cast on Resolution 5 by any director of the Company and any of their Associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or it is cast by the Chair of the Meeting as a proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Further, a vote must not be cast on Resolution 5 (and will be taken not to have been cast if cast contrary to this restriction) by a member of the KMP and any Closely Related Party of such a member acting as a proxy, if their appointment does not specify the way the proxy is to vote on Resolution 8. However, a member of the KMP or any Closely Related Party of such a member may vote when acting as proxy if the person is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

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6. Resolution 6 - Ratification of Option Issue to Thalanga Site Management Team

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

"That, for the purposes of Listing Rule 7.4 and for all other purposes, the issue of 7,100,000 Options to members of the Thalanga Site Management Team, which Options are exercisable between 1 July 2020 and 30 June 2022 at an exercise price of \$0.30 per Option in accordance with the terms set out in the Explanatory Memorandum, be ratified."

Voting exclusion: The Company will disregard any votes cast on Resolution 6 by any recipient of the Options and any of their Associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or it is cast by the Chair of the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the Proxy Form to vote as the proxy decides.

7. Resolution 7 – Approval to Increase Non-executive Director Fee Pool

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

"That, for the purposes of ASX Listing Rule 10.17, the Company's constitution and for all other purposes, the aggregate amount of fees that may be paid to Non-executive Directors as a whole be increased from \$200,000 to \$260,000 per annum (an increase of \$60,000 per annum), effective from 1 January 2018."

Voting exclusion: The Company will disregard any votes cast on Resolution 7 by any director of the Company and any of their Associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or it is cast by the Chair of the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the Proxy Form to vote as the proxy decides.

Further, a vote must not be cast on Resolution 7 (and will be taken not to have been cast if cast contrary to this restriction) by a member of the KMP and any Closely Related Party of such a member acting as a proxy, if their appointment does not specify the way the proxy is to vote on the Resolution. However, a member of the KMP or any Closely Related Party of such a member may vote when acting as proxy if the person is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

8. Resolution 8 – Adoption of New Constitution

To consider and, if thought fit, to pass, the following resolution as a Special Resolution:

"That, for the purposes of section 136 of the Corporations Act and for all other purposes, the existing constitution of the Company be revoked and the Proposed New Constitution be adopted as the Company's constitution."

9. Resolution 9 – Approval of 10% Placement Capacity

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"That, for the purpose of Listing Rule 7.1A and for all other purposes, Shareholders approve the Company issuing up to 10% of the Equity Securities in the Company in accordance with Listing Rule 7.1A on the terms and conditions set out in the Explanatory Statement accompanying this notice."

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Note: At the date of this Notice of Meeting, the Company has not approached any existing security holders in relation to the proposed additional 10% placement capacity. Accordingly, no existing Shareholder will be excluded from voting under the voting exclusion statement.

By order of the Board

A handwritten signature in black ink, appearing to read 'C. Bodley', written in a cursive style.

Cameron Bodley
Company Secretary
Red River Resources Limited
12 October 2017

Explanatory Memorandum

The following notes and the Explanatory Memorandum form part of the Notice of Meeting.

Voting and Attendance Entitlement

The Board has determined that those persons who are registered as holding Shares as at 10:30 am (AEDT) on Wednesday 15 November 2017, will be entitled to attend and vote at the Meeting. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

If more than one joint holder of a Share is present at the Meeting (whether personally, by proxy, by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the Company's Share register will be counted.

Action to be Taken by Shareholders

A Shareholder who is entitled to attend and vote at the Meeting may appoint a person, who need not be a Shareholder of the Company, as the Shareholder's proxy to attend and vote on behalf of the Shareholder.

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 you wish to indicate how your proxy should vote, please mark the appropriate boxes on the proxy form. If in respect of any of the items of business you do not direct your proxy how to vote, you are directing your proxy to vote as he or she decides.

If you mark the abstain box for a particular item you are directing your proxy to not vote on your behalf and your Shares will not be counted in computing the required majority in the event of a poll.

For proxies without voting instructions that are exercisable by the Chair of the Meeting, the Chair of the Meeting intends to vote those proxies in favour of the Resolutions. The Chair of the Meeting will be deemed to be appointed where a signed proxy form is returned that does not contain the name of the proxy or where the person appointed on the form is absent from the Meeting

A proxy form accompanies this Notice of Meeting. Should you wish to appoint a proxy, please complete the proxy form and return it

at least 48 hours before the Meeting, being no later than 10:30 am (AEDT) on Wednesday 15 November 2017 to:

(a) if by fax: on + 61 3 9473 2555 or 1800 783 447; or

(b) if by mail:

Computershare Investor Services Pty Ltd
GPO Box 242
MELBOURNE VIC 3001

If the appointment is signed by an attorney, the power of attorney or a certified copy of it must be sent with the proxy form.

Attorney

A Shareholder may appoint an attorney to act on their behalf. Such appointment must be made by a duly executed power of attorney, a copy of which must be provided by the attorney at the point of entry to the Meeting (original or certified copy), together with satisfactory evidence of their identity (name and address etc.).

Corporate Representatives

A Shareholder which is a corporation may appoint an individual to act as its representative to attend and vote at the Meeting. The appointment must comply with section 250D of the Corporations Act, meaning that Company will require a certificate of appointment of corporate representative executed in accordance with section 250D of the Corporations Act. The completed certificate should be lodged with Company's share registry before the Meeting or at the registration desk on the day of the Meeting.

Polls

In the event that a poll is demanded, every Shareholder shall have one vote for every Share registered in their name as at 7:00pm (AEDT) on Wednesday 15 November 2017.

Required Majorities

Each of Resolutions 1 to 7 are Ordinary Resolutions, requiring a simple majority of the votes cast by Shareholders entitled to vote on them.

Resolutions 8 and 9 are Special Resolutions, requiring that more than 75% of the votes cast by Shareholders entitled to vote are cast in favour of that Resolution.

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General

All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, to sign and return the proxy form to the Company in accordance with the instructions set out on the proxy form.

Shareholders, their proxy or Corporate Representatives who plan on attending the Meeting are asked to arrive at the venue at least 30 minutes prior to the time the Meeting is scheduled to commence, so that Shareholders can be checked against the Company's share register, or appointment as proxy, attorney or Corporate Representative can be verified and their attendance noted.

Explanatory Memorandum

This Explanatory Memorandum contains an explanation of, and information about, the Resolutions to be considered at the General Meeting. Shareholders should read this Explanatory Memorandum in full. This Explanatory Memorandum forms part of the accompanying Notice of Meeting and should be read with the Notice of Meeting.

This Explanatory Memorandum does not take into account the individual investment objectives, financial situation and needs of individual Shareholders or any other person. If you are in any doubt about what to do in relation to the Resolutions, you should consult your financial or other professional adviser.

Capitalised words used in the Notice of Meeting and in this Explanatory Memorandum are defined in the Glossary section at the end of this Explanatory Memorandum.

Financial Statements

Section 317 of the Corporations Act requires that the business of an annual general meeting (**AGM**) include the receipt and consideration of the financial statements and reports the Company is required to prepare by law for the previous financial year. Those statements and reports are found in the Company's 2017 Annual Report, which is available for Shareholders and can be downloaded from the Company's website www.redriverresources.com.au. If you would like to receive a hard copy of the annual report, free of charge, you can contact the Company's Share registry on 1800 850 505.

There is no requirement for Shareholders to approve these statements or reports. During this item of business, the Chair of the Meeting will provide Shareholders with a reasonable opportunity to ask questions and make comments on these financial statements and reports. Rothsay Chartered Accountants conducted the audit of the Company for the last financial year and has been invited to attend the Meeting and the Company has been advised that a suitably qualified member of the audit team of Rothsay Chartered Accountants, will attend the Meeting.

Shareholders, as a whole, will also be provided a reasonable opportunity at the Meeting to ask the auditor's representative questions relevant to the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company in the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

Shareholders who are entitled to vote at the Meeting may also submit written questions to the auditor that are relevant to the content of the auditor's report to be considered at the Meeting or the conduct of the audit of the annual financial report to be considered at the Meeting. Written questions may be submitted by giving them to the Company's Company Secretary. Questions must be submitted no later than the fifth Business Day before the Meeting is held.

Resolutions 1 and 2 – Re-election of Mr Brett Fletcher and Mr Mark Hanlon

Clause 11.3 of the Company's constitution provides that at each AGM, one-third of the Company's directors must retire. Directors who retire from office in this manner are eligible for re-election.

Mr Fletcher and Mr Hanlon have served as directors of the Company since their election on 1 May 2015 and 1 October 2015 respectively, and have both offered themselves for re-election.

Details of both candidates are set out below.

A description of Mr Fletcher's experience, qualifications and competencies is as follows:

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Mr Fletcher, a qualified Mining Engineer (University of NSW, 1989), brings over 25 years experience in the metals and mining industry to Red River. His experience within the Australian base metal mining and smelting sector is without equal, where he has held multiple senior management and executive roles including Manager UG Operations Broken Hill Zinc Lead Mine, General Manager Rosebery Copper Lead Zinc Mine, General Manager Century Zinc Mine and General Manager Hobart Zinc Smelter, and from 2007 to 2011 was the Chief Operating Officer of Zinifex/OZ Minerals and then MMG. His most recent role (from 2011 to 2014) was Executive General Manager PNG Operations at Newcrest where he was responsible for the Morobe Mining JV, Gosowong and Lihir.

A description of Mr Hanlon's experience, qualifications and competencies is as follows:

Mark has over ten years of experience in the resources and resource services sector as well as over ten years' experience in commercial and merchant banking. He has a broad background of senior executive experience across a wide range of industries including mining, mining services, electricity distribution, electronics contract manufacturing, paper & packaging and insurance. He has most recently been the Finance Director of ENK plc and previously held the position or equivalent position of CFO with listed companies such as Century Drilling and International Contract Manufacturing Limited. Mark is currently a director of Copper Strike Limited and Echo Resources Ltd and a former director of Strandline Resources Limited.

He holds a Bachelor of Business in Finance and Accounting and a Master of Business in Banking and Finance.

The Directors other than Mr Fletcher recommend that you vote in favour of Resolution 1. The Directors other than Mr Hanlon recommend you vote in favour of Resolution 2.

Resolution 3 - Adoption of Remuneration Report

The Chair of the Meeting will provide Shareholders with a reasonable opportunity to ask questions about, or make comments on, the Company's Remuneration Report for the financial year ending 30 June 2017. The Remuneration Report is included in the Company's 2017 Annual Report and appears on pages 19 to 25 of that report.

The Remuneration Report sets out the Company's remuneration arrangements for its non-executive directors, executive director and senior executives.

The Corporations Act requires that a resolution, that the Remuneration Report be adopted, be put to the vote at the Company's annual general meeting. The vote on Resolution 3 is advisory only and does not bind the Directors or the Company. However, the Board will take the outcome of Resolution 3 into consideration when reviewing the remuneration practices and policies of the Company.

Shareholders should note that, in accordance with the "two strikes rules" of the Corporations Act, the outcome of voting on Resolution 3 may also affect next year's annual general meeting.

Specifically, if 25% or more of the votes cast on Resolution 3 are cast "against", a "spill resolution" will be included in the 2018 notice of annual general meeting as required by the Corporations Act, being a resolution that an extraordinary general meeting of Shareholders be called to consider the election of Directors.

This means that if:

- (a) 25% or more of the votes cast on Resolution 3 are cast "against"; **AND**

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(b) 25% or more of the votes cast in respect of the adoption of the Remuneration Report at the 2018 annual general meeting are cast "against",

then a resolution will be put to Shareholders at the 2018 annual general meeting (the "**spill resolution**") that the Company convene a further meeting of Shareholders (within 90 days), at the end of which meeting the existing Directors (other than the managing director) will cease to hold office.

More than 97% of the votes cast on the Company's Remuneration Report for the 2016 financial year were cast in favour of the relevant resolution.

The Directors recommend that Shareholders vote in favour of Resolution 3.

Resolutions 4 and 5 - Issue of Performance Rights to Mr Palancian and Mr Garner

Resolutions 4 and 5 seek Shareholder approval for the Company to issue Performance Rights, in accordance with the terms of the Company's Performance Rights Plan, to Mr Mel Palancian and Mr Donald Garner, the Company's Managing Director and Executive Director.

Listing Rule 10.14 provides that a director may not acquire securities under an employee incentive scheme without the prior approval of shareholders.

Accordingly, Resolutions 4 and 5 seek Shareholder approval for the Company to issue Performance Rights to Mr Palancian and Mr Garner, respectively, in accordance with the Company's Performance Rights Plan.

For the purposes of Listing Rule 10.15, the following information is provided in respect of Resolutions 4 and 5:

	Resolution 5	Resolution 6
Proposed allottee	Mr Mel Palancian	Mr Donald Garner
Maximum number of securities to be issued	857,143 Performance Rights	400,000 Performance Rights
Issue date and Exercise Period	<p>The Performance Rights will be issued as soon as practicable following the Meeting and, in any event, will be issued no later than twelve (12) months after the Meeting.</p> <p>The Performance Rights will automatically exercise within 3 days after the end of the Vesting Date, subject to the satisfaction of the Vesting conditions. Vesting Date is 28 October 2020.</p>	
Issue and exercise price	<p>The Performance Rights are being issued as part of Mr Palancian's and Mr Garner's remuneration and as an incentive for future performance. As such, they will be issued for no cost.</p> <p>No exercise price is payable for the exercise of Performance Rights.</p> <p>There is no loan associated with the issue of Performance Rights.</p>	
Details of Directors or their Associates who previously received Performance Rights under the Performance Rights	<p>As at the date of this Notice of Meeting, the Company has previously issued the following Performance Rights to directors and their Associates under the Performance Rights Plan.</p>	

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Plan	1,525,423 Performance Rights (2017 issue) to Mr Palancian; and 711,864 Performance Rights (2017 issue) to Mr Garner.
Names of persons referred to in Listing Rule 10.14 that are entitled to participate in the Performance Rights Plan	<p>Each of Mr Palancian and Mr Garner, together with any other Director that may be appointed from time to time, or currently a Director of the Company, are entitled to participate in the Performance Rights Plan.</p> <p>However, as Shareholder approval is not currently being sought, and has not previously been obtained, for the issue of Performance Rights to any other Director other than Mr Palancian and Mr Garner, no Performance Rights will be issued to any other Director that may be appointed in the future unless Shareholder approval is separately sought and obtained for the issue of such Performance Rights pursuant to Listing Rule 10.14.</p>

Additional Disclosure

To assist Shareholders in considering the proposed Resolutions, the Company also provides the following additional information in respect of Resolutions 4 and 5:

	Resolution 4	Resolution 5
Proposed allottee	Mr Mel Palancian	Mr Donald Garner
Maximum number of securities to be issued	857,143 Performance Rights	400,000 Performance Rights
Use of funds	No funds will be raised through the issue of Performance Rights.	
Why are Performance Rights proposed to be issued	<p>The Directors consider that the Performance Rights provide a cost-effective and efficient incentive that aligns with the interests of Shareholders, as opposed to alternative forms of incentives (e.g. cash bonuses, increased remuneration).</p> <p>However, it must be recognised that there will be an opportunity cost to the Company, being the price at which the Company could issue Equity Securities to a third party.</p> <p>The opportunity costs and benefits foregone by the Company by issuing the Performance Rights to Mr Palancian and Mr Garner is the potentially dilutionary impact on the issued share capital of the Company (in the event that the Performance Rights vest/ are exercised). Until exercised, the issue of the Performance Rights will not impact upon the number of ordinary shares on issue in the Company. To the extent that upon their exercise the dilutionary impact caused with the issue of Shares will be detrimental to the Company, this is more than offset by the advantages accruing from the Company securing the services of experienced and skilled Directors on appropriate incentive terms.</p> <p>It is also considered that the conditions attached to the Performance Rights, which will determine whether how many (and if at all) the Performance Rights vest/ exercise, is dependent upon a concomitant increase in the value of the Company generally.</p>	

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	Resolution 4	Resolution 5
Why the number of Performance Rights was Chosen	<p>The number of Performance Rights was determined by the Company's Directors (other than Mr Palancian and Mr Garner), on the recommendation of the Company's Remuneration Committee, for the purpose of providing a cost effective means of incentivising Mr Palancian and Mr Garner to increase Shareholder value through the development of the Thalanga Project and the Company's other projects.</p> <p>The Directors (other than Mr Palancian and Mr Garner), determined that by offering Mr Palancian and Mr Garner the Performance Rights, together with their remuneration package, this would assist the Company in securing the services of Mr Palancian and Mr Garner.</p>	
Directors' interest in the outcome	<p>Other than the interests that each of Mr Palancian and Mr Garner have in receiving Performance Rights pursuant to Resolutions 4 and 5, respectively, no Director has any interest in the outcome of Resolutions 4 and 5.</p>	
Valuation of the Performance Rights	<p>The Performance Rights are not currently quoted on the ASX and as such have no market value. The Performance Rights each grant the holder thereof a right to receive one Share upon exercise of the Performance Right. Accordingly, the Performance Rights may have a present value at the date of their grant.</p> <p>As a general proposition, performance rights to acquire ordinary fully paid shares in a company have value. Various factors impact upon the value of Performance Rights including things such as:</p> <ol style="list-style-type: none"> 1. the period outstanding before the expiry date of the Performance Right; 2. the exercise price of the Performance Rights relative to the underlying price or value of the securities into which they may be converted; 3. the proportion of the issued capital as expanded consequent upon exercise represented by the shares issued upon exercise (ie whether or not the shares that might be acquired upon exercise of the Performance Rights represent a controlling or other significant interest); 4. the value of the Shares into which the Performance Rights may be converted; and 5. whether or not the Performance Rights are listed (i.e. readily capable of being liquidated). <p>There are various formulae which can be applied to determining the theoretical value of Performance Rights (including the formula known as the Black-Scholes Model option valuation formula).</p> <p>The Company has applied a Monte Carlo Model, which is one of the most widely used and recognised models for pricing options (which, the Performance Rights are). The value of a Performance Right calculated by the Monte Carlo Model is a function of the relationship between a number of variables, being the share price, the exercise price, the time to expiry, the risk free interest rate and the volatility of the company's underlying share price.</p>	

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	Resolution 4	Resolution 5	
	<p>Inherent in the application of the Monte Carlo Model are a number of inputs, some of which must be assumed. The data relied upon in applying the Monte Carlo Model was:</p> <ol style="list-style-type: none"> 1. the exercise price of the Performance Rights, being \$0.00 cents; 2. an assumed Share price at the date the Performance Rights are granted of \$0.245 cents, being the Share price as at the date of valuation on 25 September 2017); 3. an expiry/ vesting date of 31 October 2020 (3 years); 4. a volatility measure of 100%; 5. a risk-free interest rate of 3.25%; and 6. a dividend yield of nil. <p>Based on this information, the Company has adopted an indicative value for each Performance Right of 30.48 cents for Expiry 31 October 2020.</p> <p>On that basis, the respective value of the Performance Rights to be issued pursuant to Resolutions 4 and 5 are as follows:</p> <p>(a) \$261,257 (b) \$121,920</p> <p>TOTAL \$383,177</p> <p>The Performance Rights valuation noted above assumes a market price of the Shares on the date of issue of \$0.245 cents per Share, being the market value of the Shares as at the date that the valuation was prepared on 25 September 2017. Since the date of the valuation the Share price has risen to \$0.31 cents per Share (as at 9 October 2017) and there is a possibility that the market price of the Shares on the date of issue of the Performance Rights will be different to the assumed price of \$0.245 used for the valuation.</p>		
Existing interest in the Company	The current interests (i.e. before Resolutions 4 and 5 are approved) of Mr Palancian and Mr Garner in the Equity Securities of the Company are set out below:		
	Related Party	Shares	Performance Rights
	Mr Mel Palancian	425,000	1,500,000 @ \$0.12 Ex 30/06/2019 1,525,423 Performance Rights (2017) Ex 1/07/2019
Mr Donald Garner	7,594,930	711,864 Performance Rights (2017) Ex 1/07/2019	
Dilutionary effect of the issue of the Performance Rights	If all of the Performance Rights that are proposed to be issued to Mr Palancian and Mr Garner pursuant to Resolutions 4 and 5 are granted and are subsequently exercised (and assuming that no other Equity Securities are issued prior to the exercise of the Performance Rights), the following will be the dilutionary effect on the current issued capital of the Company:		

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	Resolution 4			Resolution 5	
	Allottee/Other Shareholders	Current Share Holding	% of Total Share Capital (304,032,629 Shares on issue)	Number of Shares upon Exercise of all Performance Rights	% of Total Share Capital (306,269,916 Shares on Issue)
	Mr Palancian	425,000	0.09%	1,282,143	0.27%
	Mr Garner	7,594,930	1.60%	7,994,930	1.68%
	Other Shareholders	466,511,028	98.31%	466,511,028	98.05%
	Total	474,530,958	100.00%	475,788,101	100.00%
Trading History	A table of the trading history of the Shares for the preceding 12 month period is as follows:				
	Closing Price on 9 October 2017 being the day prior to the approval of this Notice of Meeting			\$0.31	
	12-month VWAP (prior to and including 9 October 2017)			\$0.226	
	12-month high (prior to and including 11 October 2017)			\$0.33	
	12-month low (prior to and including 28 October 2016)			\$0.15	

Performance Conditions –2018 Grant

The Performance Rights will automatically convert to Shares on 31 October 2020 (**Vesting Date**), subject to satisfaction of the four performance conditions summarised below (**Performance Conditions**).

Specifically, one third of the Performance Rights to be issued to each of Mr Garner and Mr Palancian have been allocated to each of the financial years ending 30 June 2018, 30 June 2019 and 30 June 2020 (**Performance Period**) and will be tested against three of the Performance Conditions following the end of the relevant Performance Period to determine the number of Performance Rights allocated to that Performance Period that will be eligible to vest, subject to Mr Garner and Mr Palancian (as applicable) remaining employed by the Company or an Associated Body Corporate on the Vesting Date (the **Service Condition**).

Other than in respect of the Service Condition, the Performance Conditions operate independently in so far as satisfaction of each Performance Condition will give rise to a pre-determined proportion of the overall number of Rights becoming eligible for vesting – subject to satisfaction of the Service Condition.

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Any Rights that become ineligible for vesting, or do not vest, because of a failure to satisfy one or more Performance Conditions shall lapse.

The Performance Conditions are as follows:

(a) Share Price Performance Condition

50% of the Performance Rights are subject to a comparative Share price Performance Condition. For this Performance Condition, the percentage of Performance Rights that will become eligible for vesting will be determined by comparing the Company's Share price performance against the share price performance of a Comparator Group of Companies* during each of the Performance Periods, as follows:

RVR ranking versus Comparator Group of Companies	% of Maximum Award
Below the 50th percentile	0% eligible for vesting
Between the 50th and 75th percentile	50% - 100% eligible for vesting (on a pro-rata basis)
At or above the 75th percentile	100% eligible for vesting

*Comparator Group of Companies

Heron Resources (HRR)	Venturex Resources (VXR)
KGL Resources (KGL)	Terramin Australia (TZN)
ROX Resources (ROX)	Myanmar Metals (MYL)
Ironbark Zinc (IBG)	Consolidated Zinc (CZL)
PNX Metals (PNX)	New Century Resources (NCZ)

The Board will, however, retain the discretion to deem the Share price Performance Condition as being met in the event that the Company's share price at 30 June in a particular year is below the Company's Share price on 1 July of the preceding year.

(b) Grow Resources at Thalanga – 25% of the Rights capable of vesting

25% of the Performance Rights shall be subject to the growth of RVR's aggregate Mineral Resources (as reported to the ASX) during a Performance Period (aggregated on a zinc equivalent gross basis inclusive of Inferred, Indicated and Measured Mineral Resources).

The percentage of Performance Rights that will become eligible for vesting (subject to the satisfaction of the Service Condition) associated with each percentage increase in Mineral Resources as follows:

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Resource increase	% of Maximum Award
Increase Resources by >25%	100% eligible for vesting
Increase Resources by >0%<25%	0% - 100% eligible for vesting (on a pro-rata basis)
Increase Resources by 0% or a decrease in Resources	0% eligible for vesting

(c) Grow Reserves at Thalanga – 25% of the Rights capable of vesting

25% of the Performance Rights shall be subject to the growth of the Company's aggregate Ore Reserves (as reported to the ASX) during a Performance Period.

The percentage of Performance Rights that will become eligible for vesting (subject to the satisfaction of the Service Condition) associated with each percentage increase in Ore Reserves is set out in the table below.

Reserve increase	% of Maximum Award
Increase Reserves by >25%	100% vest
Increase Reserves by >0%<25%	0% - 100% vest (on a pro-rata basis)
Increase Reserves by 0%	0% vest

(d) Service Condition

As noted above, all of the Performance Rights are subject to the Service Condition. This Performance Condition requires that the recipient of Performance Rights be employed by the Company or an Associated Body Corporate on the Vesting Date in order for any Performance Rights to vest.

If a recipient's employment ceases prior to the Vesting Date, Performance Rights shall automatically lapse, unless the Board determines otherwise in accordance with the Rules of the Performance Rights Plan.

As it is proposed that Mr Palancian and Mr Garner will receive Performance Rights pursuant to the Performance Rights Plan, subject to the passing of Resolutions 4 and 5, Mr Palancian and Mr Garner do not make any voting recommendation to Shareholders as to how to vote on Resolutions 4 and 5.

The Directors, other Mr Palancian and Mr Garner, recommend that Shareholders vote in favour of Resolutions 4 and 5.

Resolution 6 - Ratification of Option Issue to Thalanga Site Management Team

Resolution 6 seeks to ratify the issue of 7,100,000 unlisted Options issued to members of the Thalanga Site Management Team.

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Broadly, Listing Rule 7.1 provides that, unless an exception applies, the prior approval of Shareholders is required for an issue of Equity Securities if the Equity Securities will, subject to certain exceptions, together with the number of all other Equity Securities issued by the company during the previous 12 months, exceed 15% of the number of Equity Securities on issue at the commencement of that 12-month period.

Listing Rule 7.4 provides that an issue of Equity Securities made without prior shareholder approval is treated as having been made with shareholder approval for the purpose of Listing Rule 7.1 if the issue did not breach the Listing Rules at the time of issue and the company's shareholders subsequently ratify that issue.

The 7,100,000 Options were issued to members of the Thalanga Site Management Team for the purpose of remuneration and were initially issued within the Company's 15% placement capacity contained in Listing Rule 7.1 (**15% Placement Capacity**).

Accordingly, Resolution 6 seeks Shareholder ratification for the Options issued to members of the Thalanga Site Management Team for the purpose of Listing Rule 7.4.

If Resolution 6 is passed, the Company will be able to raise further funds by issuing up to the maximum of the 15% Placement Capacity set out in Listing Rule 7.1, without the need to obtain the prior approval of Shareholders.

If Resolution 6 is not passed, the Options issued to members of the Thalanga Site Management Team will be deducted from the Company's 15% Placement Capacity in accordance with the Listing Rules, reducing the Company's ability to raise further funds through the issue of Equity Securities in the future, without first obtaining Shareholder approval.

For the purposes of Listing Rule 7.5, the Company provides the following additional information in respect of Resolution 6:

<p>Issue Price</p>	<p>The Options were issued as part of each member of the Thalanga Site Management Team's remuneration and as an incentive for future performance. As such, they were issued for no consideration.</p> <p>The exercise price per Option, which is required to be paid to receive Shares on the exercise of the Options, is \$0.30 cents per Option.</p> <p>No loans have been or will be provided as part of the issue of Options.</p>
<p>Terms of the Securities</p>	<p>Each Option entitles the holder to receive one Share on exercise, which Shares will rank equally with all other Shares then on issue as at the relevant date of exercise.</p> <p>The Options were granted on the following key terms:</p> <ul style="list-style-type: none"> • each Option is exercisable at any time from 12:00am on 1 July 2020 (Vesting Date) until 5:00pm AEST 30 June 2022 (Expiry Date); • Each Option has an exercise price of \$0.30 per Option; • If, prior to the Vesting Date, the relevant member of the Thalanga Management Team ceases to be an employee of Cromarty Resources Pty Ltd or a Related Body Corporate: <ul style="list-style-type: none"> ○ as a result of the death or permanent disability of that person, the Options that have become exercisable can be exercised no later than the later of: <ul style="list-style-type: none"> ▪ the date that is 6 months after the cessation of that

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	<p>person's employment; and</p> <ul style="list-style-type: none"> ▪ such other date as the Company's Board of Directors determines (in its absolute discretion); and will lapse immediately thereafter; and ○ for any other reason other than that described above, the Options will immediately lapse. <ul style="list-style-type: none"> • The Options are not transferrable and will not be listed; • In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company, the number of Options, the Exercise Price of the Options (or both), will be reconstructed (as appropriate) in a manner required by the ASX Listing Rules (as applicable at the time of reconstruction); and • If there is a pro rata issue (except a bonus issue), the Exercise Price of an Option may be reduced according to the following formula: $O^n = \frac{O - E [P - (S + D)]}{N + 1}$ <p>Where: O^n = the new exercise price of the Option; O = the old exercise price of the Option; E = the number of underlying securities into which one Option is exercisable; P = the average market price per security (weighted by reference to volume) of the underlying securities during the 5 trading days ending on the day before the ex right date or the ex entitlements date; S = the subscription price for a security under the pro rata issue; D = dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue); N = the number of securities with rights or entitlements that must be held to receive a right to one new security.</p> <p>If there is a bonus issue to the holders of Shares, the number of Shares over which the Option is exercisable may be increased by the number of Shares which the Option Holder would have received if the Option had been exercised before the record date for the bonus issue.</p>
<p>Names of allottees</p>	<p>The allottees were determined on the basis of seniority, position with the Company and length of service.</p>
<p>Use of funds</p>	<p>If the full 7,100,000 Options are exercised, an amount (based on \$0.30 per Option) of \$2,130,000 will be raised. This amount will be put towards the Company's general working capital requirements and exploration or development activities at the relevant time.</p>

The Directors unanimously recommend that Shareholders vote in favour of Resolution 6.

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Resolution 7 – Approval To Increase Non-Executive Director Fee Pool

Introduction

Shareholders last approved an increase in the maximum annual aggregate remuneration of Non-executive Directors (**NED Fee Pool**) at the 10 December 2014 Annual General Meeting. At that meeting, a NED Fee Pool of \$200,000 was approved by Shareholders.

The Company has recently transformed itself from a junior explorer to a producer and, accordingly, the skills and expertise to run and steer the Company have broadened.

Accordingly, Shareholder approval is being sought to increase the NED Fee Pool that may be paid by the Company as remuneration for the services of the Company's Non-executive Directors from \$200,000 to \$260,000 (inclusive of superannuation contributions). If approved, the increase will be divided between Non-executive Directors as the Board determines and will take effect on and from 1 January 2018. The Company does not intend to fully utilise the increase in the near future.

The following matters have been considered in determining the proposed increase:

- (a) by necessity the Company has had to expand the current board skill set given the advancement of the Company from explorer to producer;
- (b) the proposed change in corporate governance framework of the Company, including the establishment of various committees to ensure robust corporate governance practises; and
- (c) to create a NED Fee Pool of sufficient flexibility so as to allow the Company to attract and retain quality Non-executive Directors.

The proposed increase in NED Fee Pool does not impact on the remuneration arrangements of the Managing Director and Executive Director. As Executive Directors of the Company, they do not receive separate directors' fees in addition to the remuneration packages they receive in their capacity as employees.

Listing Rule Requirements

The Company is seeking the approval for the increase in the NED Fee Pool pursuant to ASX Listing Rule 10.17, which requires that the Company obtain Shareholder approval for any increase in the total amount of remuneration payable to Non-executive Directors.

In accordance with the requirements of Listing Rule 10.17, the following information is provided for the purposes of obtaining Shareholder approval for Resolution 7:

- (a) the NED Fee Pool will increase by an amount of \$60,000 per annum, from \$200,000 to \$260,000 per annum;
- (b) if Resolution 7 is approved, then the maximum aggregate amount of fees that may be paid to all of the Company's non-executive directors is \$260,000 per annum;
- (c) the following number of securities were issued to Non-executive Directors with Shareholder approval under Listing Rule 10.11 or 10.14 during the previous three (3) years:

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Name of Director	Number of securities issued in last 3 years		
	Shares	Performance Rights	Options
Mr. Brett Fletcher	238,096*	-	119,048*
Mr. Paul Hart	-	-	3,000,000
Mr. Mark Hanlon	1,000,00*	-	500,000*
Mr. Cameron Bodley	-	-	3,000,000
Total	1,238,096	-	6,619,048

* Represents Shareholder approval to participate in the Placement announced on 2 November 2015. Options have subsequently been exercised and converted into Shares on 9 October 2017.

Resolution 8 – Adoption of New Constitution

A company may modify or repeal its constitution or a provision of its constitution by Special Resolution.

Resolution 8 seeks Shareholder approval for the revocation of the Company's existing constitution (**Existing Constitution**) and the adoption of a new constitution in the form available at the following link on the Company's website <http://www.redriverresources.com.au> (**Proposed New Constitution**).

The Existing Constitution was adopted in 2002 at the time of the Company's incorporation. Since that time, there have been a number of amendments to the Corporations Act and the ASX Listing Rules, as well as developments in 'best practice' for corporate governance, which are reflected in the Proposed New Constitution.

While the Proposed New Constitution is broadly consistent with the provisions of the Existing Constitution, and many of the proposed changes are administrative or otherwise minor in nature, the Directors consider it preferable to replace the existing Constitution with the Proposed New Constitution in its entirety, rather than to amend a multitude of specific provisions which is often confusing and can give rise to unintended inconsistency or errors.

A summary of the material differences between the Existing Constitution and the Proposed New Constitution is included in **Schedule 1** to this Notice of Meeting.

A copy of the Proposed New Constitution is also available for review by Shareholders at the Company's website <http://www.redriverresources.com.au> and at the office of the Company. A copy of the Proposed New Constitution will also be sent to Shareholders, upon a request being made to the Company's company secretary (+61 3 9095 7775).

The Directors unanimously recommend that Shareholders vote in favour of Resolution 8.

The Chair of the Meeting intends to vote all proxies in favour of Resolution 8.

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Resolutions 9 – Additional Placement Capacity

Listing Rule 7.1 requires Shareholder approval for an issue of Equity Securities in the Company if that issue will, when aggregated with all other issues during the previous 12 months, exceeds 15% of the number of Equity Securities on issue at the commencement of that 12-month period.

In accordance with Listing Rule 7.1A, eligible entities may seek Shareholder approval at their AGM to issue a further 10% of their issued share capital in addition to the 15% capacity set out in ASX Listing Rule 7.1 (**10% Share Placement Capacity**).

An eligible entity for the purpose of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. At the date of this Notice, the Company is an eligible entity.

Any issue of securities under ASX Listing Rule 7.1A:

- (a) must be in the same class as an existing quoted class of the Company's Equity Securities;
- (b) may be issued at a maximum of 25% discount to the current market price; and
- (c) must be calculated in accordance with the formula prescribed by ASX Listing Rule 7.1A.2.

Resolution 9 seeks Shareholder approval for the Company to have the ability to issue Equity Securities in accordance with the 10% Share Placement Capacity. The approval of Resolution 9 will provide the Company with even greater flexibility to issue Equity Securities in addition to the 15% capacity set out in ASX Listing Rule 7.1 without a further requirement to obtain prior Shareholder approval.

Technical information required by Listing Rule 7.3A

		Dilution when compared with the current issued share capital	Hypothetical issue price of shares issued under the 10% Share Placement Capacity		
			\$0.155 50% decrease in Issue Price	\$0.31 per share	\$0.62 100% increase in Issue Price
Issued share capital	Current issued share capital	10% dilution	47,453,096 shares	47,453,096 shares	47,453,096 shares
	474,530,958	Funds raised	\$7,355,230	\$14,710,460	\$29,420,919
	50% increase in issued share capital	10% dilution	71,179,644 shares	71,179,644 shares	71,179,644 shares
	711,796,437	Funds raised	\$11,032,845	\$22,065,690	\$44,131,379
	100% increase in issued share capital	10% dilution	94,906,192 shares	94,906,192 shares	94,906,192 shares
	949,061,916	Funds raised	\$14,710,460	\$29,420,919	\$58,841,839

Note: the table above has been prepared on the following assumptions:

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1. The Issue Price of \$0.31 is based on the closing price of Shares on 9 October 2017;
2. The current issued share capital has been calculated in accordance with the formula in Listing Rule 7.1A.2;
3. The Company issues the maximum number of securities available under the 10% Share Placement Capacity;
4. No options are exercised prior to the date of issue of any shares under the 10% Share Placement Capacity;
5. The table shows the effect of issues of the Company's Equity Securities under the 10% Share Placement Capacity, not under the Company's 15% placement capacity under Listing Rule 7.1; and
6. The table does not show an example of dilution that may occur to any particular Shareholder due to any placements under the 10% Share Placement Capacity.

Potential risk of economic and voting dilution

If Resolution 9 is approved by Shareholders and securities are issued in accordance with the 10% Share Placement Capacity, the interests of existing Shareholders who do not participate in the issue will be diluted.

Shareholders should note that in such circumstances, as with any time in the market, there is a risk that:

- (a) the market price for Equity Securities issued under the 10% Share Placement Capacity may be significantly lower on the issue date than on the date of the approval under ASX Listing Rule 7.1A; and
- (b) the Equity Securities may be issued at a price that is at a discount to the market price for those Equity Securities on the issue date, which may have an effect on the amount of funds raised by the issue of the Equity Securities.

Timing of potential issues

If Shareholders approve Resolution 9, securities may be issued under the 10% Share Placement Capacity during the period commencing on the date of the Meeting and ending on the first to occur of:

- (a) 12 months after the date of the Meeting; and
- (b) the date of Shareholder approval for any transaction under Listing Rules 11.1.2 (significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking).

The approval under Listing Rules 7.1A will cease to be valid in the event that Shareholders approve a transaction under Listing Rules 11.1.2 or 11.2.

Purpose of potential issue

Shares may be issued under the 10% Share Placement Capacity for the following purposes:

- (a) non-cash consideration for the acquisition of new resources assets and other investments. If this occurs, the Company will provide a valuation of the non-cash consideration in accordance with ASX Listing Rule 7.1A.3; or
- (b) cash consideration. If this occurs, the Company intends to use the funds raised to continue exploration and development of the Company's current assets, to cover general working capital requirements and/or, if appropriate, acquire new assets or investments.

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The Company will comply with its disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.5A upon any issue of Equity Securities under the 10% Share Placement Capacity.

Allocation policy under the 10% Share Placement Capacity

The Company's allocation policy will depend on the prevailing market conditions at the time of any proposed issue under the 10% Share Placement Capacity.

Potential allottees of securities under the 10% Share Placement Capacity will be determined on a case-by-case basis, having regard to factors which may include:

- (a) the methods of raising funds which are available to the Company, including the time and market exposure associated with the various methods of raising capital applicable at the time of the raising;
- (b) the effect of any such issue on the control of the Company;
- (c) the financial situation of the Company; and
- (d) advice from corporate, financial and broking advisers.

As at the date of this Notice, no allottees for a placement under the 10% Share Placement Capacity have been determined. They may, however, include, as well as any existing Shareholders, substantial Shareholders and/or new Shareholders who are not Related Parties or Associates of a Related Party of the Company.

Prior shareholder approval

The Company sought and received Shareholder approval under Listing Rule 7.1A at the last AGM held on 27 October 2016.

A total of 173,846,906 Equity Securities, including Shares, Options and Performance Rights, were issued in the 12 months preceding the date of the AGM. This represented 52.16% of the total number of Equity Securities on issue at the start of the 12-month period.

Details of all equity issues over the 12 months preceding the date of the Annual General Meeting are outlined below:

- (a) On 25 November 2016, the Company issued 333,476 ordinary shares on exercise of 143,000 options at \$0.15 per share by Justin Klintberg and 190,476 options at \$0.15 per share by AWD Consultants Pty Ltd at \$0.15 per share. The proceeds have been used on exploration, development and general working capital requirements of the Company;
- (b) On 12 December 2016, the Company issued 45,729,166 ordinary shares under Listing Rule 7.1 to institutional investors, and strategic, s708A professional, and sophisticated investors at \$0.185 per share. The proceeds are to be used on exploration, development and general working capital requirements of the Company;
- (c) On 12 December 2016, the Company issued 30,370,834 ordinary shares under Listing Rule 7.1A to institutional investors, and strategic, s708A professional, and sophisticated investors at \$0.185 per share. The proceeds are to be used on exploration, development and general working capital requirements of the Company;
- (d) In accordance with the Resolution 5 passed by Shareholders at the AGM held on 27 October 2016, on 12 December 2016, the issued 1,500,000 Options to Mr Mel Palancian (and or his associates) with an Exercise Price of \$0.12 and an Expiry of 30 June 2019. The options were issued for nil consideration;

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- (e) On 30 December 2016, the Company issued 1,500,000 ordinary shares on exercise of 150,000 options at \$0.15 per share by Elizabeth Bodley and 1,350,000 options at \$0.15 per share by Amonre Holding Pty Ltd. The proceeds have been used on exploration, development and general working capital requirements of the Company;
- (f) On 10 January 2017, the Company issued 1,100 ordinary shares on exercise of 1,100,000 options at \$0.15 per share by Oska Nominees Pty Ltd. The proceeds have been used on exploration, development and general working capital requirements of the Company;
- (g) In accordance with the Resolution 2 passed by Shareholders at the EGM held on 6 January 2017, on 16 January 2017, the Company issued 86,062,162 ordinary shares to institutional investors, and strategic, s708A professional, and sophisticated investors at \$0.185 per share. The proceeds are to be used on exploration, development and general working capital requirements of the Company;
- (h) On 6 February 2017, the Company issued 346,429 ordinary shares on exercise of 71,429 options at \$0.15 per share by Jayarem Pty Ltd and 275,000 options at \$0.15 per share by Onshore Capital Pty Ltd. The proceeds have been used on exploration, development and general working capital requirements of the Company;
- (i) On 10 February 2017, the Company issued 1,488,095 ordinary shares on exercise of 1,250,000 options at \$0.15 per share by Fosters Stockbroking Nominees Pty Ltd and 238,095 options at \$0.15 per share by EMU NL. The proceeds have been used on exploration, development and general working capital requirements of the Company;
- (j) On 10 March 2017, the Company issued 50,000 ordinary shares on exercise of 50,000 options at \$0.15 per share by Australian Trade Access Pty Ltd. The proceeds have been used on exploration, development and general working capital requirements of the Company;
- (k) On 21 March 2017, the Company issued 600,000 ordinary shares on exercise of 600,000 options at \$0.15 per share by ABN Amro Clearing Sydney Nominees Pty Ltd. The proceeds have been used on exploration, development and general working capital requirements of the Company;
- (l) On 10 May 2017, the Company issued 104,762 ordinary shares on exercise of 100,000 options at \$0.15 per share by Williams Investment's Aust Pty Ltd and 4,762 options at \$0.15 per share by Mr Gary Candy. The proceeds have been used on exploration, development and general working capital requirements of the Company;
- (m) In accordance with the Resolutions 6, 7 and 8 passed by Shareholders at the AGM held on 27 October 2016, on 29 June 2017, the Company issued 1,525,423 Performance Rights to Mr Mel Palancian, 711,864 Performance Rights to Mr Donald Garner and 847,457 Performance rights to Mr Karl Spaleck. Each have an Expiry of 1 July 2019. The Performance Rights were issued for nil consideration;
- (n) On 1 September 2017, the Company issued 7,100,000 Incentive Options to the Thalanga Site Management Team (and or their associates) with an Exercise Price of \$0.30, a Vesting Date of 30 June 2020 and an Expiry of 30 June 2022. The options were issued for nil consideration;
- (o) On 18 September 2017, the Company issued 1,250,000 ordinary shares on exercise of 50,000 options at \$0.15 by Mrs Candice Williamson, 50,000 options at \$0.15 per share by Mr Bradley Hill, 150,000 options at \$0.15 per share by Beirne Trading Pty Ltd and 1,000,000 options at \$0.10 per share by Mrs Jane Taylor. The proceeds have been used on exploration, development and general working capital requirements of the Company;

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- (p) On 9 October 2017, the Company issued 1,068,405 ordinary shares on exercise of 150,000 options at \$0.15 by Endeavour River Pty Ltd, 80,000 options at \$0.15 by Bradley Hill and 26,500 options at \$0.15 by Natasha Nikoleaff, 142,857 options at \$0.15 by Robert Hunt, 500,000 options at \$0.15 by Buprestid Pty Ltd, 119,048 options at \$0.15 by Julie Fletcher and 50,000 options at \$0.15 by Mel Palancian. The proceeds will be used on exploration, development and general working capital requirements of the Company.

Any inquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to the Company Secretary:

Red River Resources Limited

Level 6 350 Collins Street

MELBOURNE VIC 3000

Ph: +61 3 9095 7775

Explanatory Memorandum

Glossary

AEDT means Australian Eastern Daylight Time.

AGM means an annual general meeting of the Company.

ASX means ASX Limited (ABN 98 008 624 691).

Board means the board of Directors of the Company.

Business Day means a day that is not a Saturday, Sunday or public holiday in Melbourne, Australia.

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

Company means Red River Resources Limited ACN 100 796 754.

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

Cromarty Resources Pty Ltd means the 100% owned subsidiary of Red River Resources Ltd.

Directors means the directors of the Company as at the date of this Explanatory Memorandum.

Equity Securities has the meaning given to that term in the Listing Rules.

Explanatory Memorandum means this explanatory memorandum that accompanies, and forms part of, the Notice of Meeting.

General Meeting or **Meeting** means the general meeting of the Company convened by the Notice of Meeting.

Key Management Personnel or **KMP** has the meaning given to that term in the Corporations Act.

Listing Rules means the listing rules of the ASX.

Meeting, General Meeting, Annual General Meeting and 2017 AGM means the meeting convened by this Notice.

Non-executive Directors means those Directors who are not full time employees of the Company or any subsidiary.

Notice of Meeting means the notice convening the general meeting of Shareholders that accompanies this Explanatory Memorandum.

Options means an unlisted option to receive one fully paid Share upon exercise of the option.

Ordinary Resolution means a resolution requiring that more than 50% of the votes cast on the resolution are cast in favour of the resolution in order for it to be passed.

Performance Rights Plan means the Company's employee and officer performance rights plan as approved by Shareholders at the 2016 AGM.

Proposed New Constitution means the constitution proposed to be adopted as the Company's constitution as referred to and described in this Notice of Meeting.

Proxy Form means the proxy form attached to this Notice of Meeting.

Related Body Corporate has the meaning given to that term in the Corporations Act.

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

Remuneration Report has the meaning given to that term in the Corporations Act.

Resolution means a resolution referred to in this Notice.

Shareholder means a holder of a Share.

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

Special Resolution means a resolution requiring that at least 75% of the votes cast on the resolution are cast in favour of the resolution in order for it to be passed.

Schedule 1 – Summary of Material Differences

1. **Joint Shareholders (New Clause 10.2)**

Clause 10.2 of the Proposed New Constitution provides that the Company need not register more than three Shareholders jointly.

2. **Shareholdings of less than a Marketable Parcel (New Clause 14)**

Clause 14 of the Proposed New Constitution provides new provisions that enable the Company to sell (and account to Shareholders for the net proceeds of) Shares that are held by Shareholders who have a Shareholding of less than a 'Marketable Parcel'. A 'Marketable Parcel' has the meaning given to that term in the ASX Listing Rules, which currently refers to a Shareholding that is valued at not less than \$500, based on the closing price of the Shares on the ASX at the time of determination.

These provisions are consistent with the Corporations Act and the ASX Listing Rules and seek to enable the Company to deal with very small Shareholdings so as to reduce the administrative costs to the Company in having many small Shareholders.

3. **Withholding indemnity (New Clause 16)**

Clause 16 of the Proposed New Constitution includes an obligation on Shareholders to pay to the Company any amount that the Company is required by law to pay (including a tax) in respect of a Shareholder or a Share held by a Shareholder or a dividend paid in respect of a Share.

For example, this may occur where the Company is required to withhold an amount where it is paying a dividend to a Shareholder resident outside of Australia.

That includes an obligation on the Shareholder to reimburse the Company for any amounts paid and to indemnify the Company against any liability incurred as a result. It also empowers the Company to refuse to transfer Shares by or to such a Shareholder until such amounts are paid.

4. **Interest (New Clause 20.1)**

Clause 20.1 of the Proposed New Constitution specifies the interest rate payable to the Company on the forfeiture of a Share or as a result of a failure by a Shareholder to pay a cash call when due. This interest rate is set at a rate of 10% per annum.

In contrast, clauses 4.3(b) and 5.9 of the Existing Constitution provides that interest shall accrue at a rate of 20% per annum.

There is a risk that an interest rate of 20% per annum could be held to be unenforceable due to the 'penalty provisions' applicable in Australian law and, therefore, the rate of interest is proposed to be reduced to the 10% per annum proposed by clause 20.1 of the Proposed New Constitution.

5. **Meeting Procedures (New Clause 33)**

Clause 33 of the Proposed New Constitution outlines the provisions for convening meetings of Shareholders and the cancellation of such meetings.

Specifically, clause 9.9 of the Existing Constitution provides that the Company may not cancel a meeting of Shareholders where it has been requisitioned by Shareholders.

However, as the Corporations Act entitles such meetings to be cancelled where the relevant requisitioning Shareholder(s) has consented, the Company considers it preferable that these provisions be removed so as to align with the requirements of the

Schedule 1 – Summary of Material Differences

Corporations Act and to avoid the Company incurring the cost of holding a meeting of Shareholders where the purpose for such requisitioned meeting no longer exists.

6. **Meeting Procedures (New Clause 35)**

Clause 35 of the Proposed New Constitution provides that:

- (a) the quorum for a meeting of Shareholders is three Shareholders entitled to vote; and
- (b) where there is an adjournment as a result of there not being a quorum of Shareholders present within the required timeframe, the quorum for the adjourned meeting shall also be three Shareholders entitled to vote.

In contrast, clause 10.7(b) of the Existing Constitution provides that at the adjourned meeting, the quorum shall be two Shareholders entitled to vote.

7. **Adjournment of General Meetings (New Clause 38)**

Clause 38.1 of the Proposed New Constitution entitles the Chair of a meeting of Shareholders to adjourn that meeting to another time, date and place.

In contrast, clause 10.11 of the Existing Constitution provides that such an adjournment can only be made with the consent of the meeting.

8. **Voting of Guardians and representatives (New Clause 43)**

Clauses 43.4 and 43.5 of the Proposed New Constitution also provide additional provisions dealing with the voting of Shares registered in the names of infant Shareholders by their parents or guardians, or persons entitled to be registered as the holder of Shares following a transmission event (including the death, incapacity or bankruptcy of a Shareholder).

9. **Direct Voting (New Clause 45)**

Clause 45 of the Proposed New Constitution is a new provision that provides that the Directors may determine that Shareholders may vote by way of 'Direct Vote'.

The purpose of this new clause is to enable the Company to use appropriate technology to facilitate the engagement of those Shareholders who wish to be involved in a meeting of Shareholders but cannot be seated in a single place at any one time. This is consistent with technological developments enabling such direct voting.

10. **Maximum Number of Directors (New Clause 49)**

Clause 49 of the Proposed New Constitution provides that the number of Directors must be at least three (3) and, at a maximum, ten (10), and that this maximum may be reduced by general meeting.

In contrast, clause 11.1 of the Existing Constitution provides that the Directors may themselves reduce the maximum number of Directors, which is inconsistent with the requirements of section 201P of the Corporations Act, which would require Shareholder approval to such a reduction in any event.

11. **Rotation of Directors (New Clause 51)**

Clause 51.1(c) of the Proposed New Constitution provides additional clarity on the operation of the compulsory retirement process for Directors.

Schedule 1 – Summary of Material Differences

Specifically, new clause 51.1(c) makes it clear that, in calculating the 1/3 of Directors who are to retire at an annual general meeting, the Company's managing director and those who are required to be re-elected due to having been appointed by the other Directors to fill a casual vacancy shall not be counted.

Clause 52.1 also provides additional clarity regarding the vacation of office in circumstances where a person becomes mentally incapable and has had a personal representative or trustee appointed to their estate or property to administer it, rather than the provisions of the Existing Constitution which simply refers to a person being of 'unsound mind' and does not provide an objective criteria by which this can be assessed.

12. **Procedures for Notices (New Clause 102)**

Clause 98 of the Proposed New Constitution includes express provisions permitting the sending of notices to Shareholders by way of electronic mail that are not expressly contemplated by the Company's Existing Constitution.

Additionally, clause 102 of the Proposed New Constitution provides for amended timing provisions for the deeming of when 'notice' is taken to be provided to Shareholders, reducing the notice period for postage within Australian from 3 days after postal service (clause 19.2 of the Existing Constitution) to two Business Days after postal service (clause 102 of the Proposed New Constitution) (reflecting that mail is not delivered on the weekend) and extending the timeframe for notices being posted outside of Australia to five (5) Business Days after posting (reflecting the increasing prevalence of foreign persons holding shares in ASX Listed Entities).

RVR

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:

 **Online:**
www.investorvote.com.au

 **By Mail:**
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

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Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.



Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I9999999999 PIN: 99999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

 **For your vote to be effective it must be received by 10:30am (AEDT) Wednesday, 15 November 2017**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

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

Joint Holding: Where the holding is in more than one name, all of the securityholders 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 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** →

MR SAM SAMPLE
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Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

IND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of Red River Resources Limited hereby appoint

the Chairman of the Meeting OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Red River Resources Limited to be held at the Institute of Chartered Accountants Australia on Level 18, Bourke Place, 600 Bourke Street, Melbourne, Victoria, on Friday, 17 November 2017 at 10:30am (AEDT) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 3, 4, 5 and 7 (except where I/we have indicated a different voting intention below) even though Resolutions 3, 4, 5 and 7 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 3, 4, 5 and 7 by marking the appropriate box in step 2 below.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Re-election of Mr Brett Fletcher as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr Timothy Marcus Stephen Hanlon (Mark Hanlon) as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Issue of Performance Rights to Mr. Melkon (Mel) Palancian	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Issue of Performance Rights to Mr. Donald Garner	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Ratification of Option Issue to Thalanga Site Management Team	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval to Increase Non-executive Director Fee Pool	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Adoption of New Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /