
PARKWAY MINERALS NL

ABN 62 147 346 334

NOTICE OF ANNUAL GENERAL MEETING

TIME: 2:00pm AWST

DATE: Tuesday, 26 November 2019

PLACE: Level 1,
675 Murray Street
West Perth WA 6005

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 (08) 9479 5386.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of the Shareholders of Parkway Minerals NL which this Notice of Annual General Meeting relates to will be held at 2:00pm AWST on Tuesday, 26 November 2019 at Level 1, 675 Murray Street, West Perth WA 6005.

YOUR VOTE IS IMPORTANT

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

VOTING IN PERSON

- To vote in person, attend the Annual General Meeting on the date and at the place set out above.

VOTING BY PROXY

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

This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- a proxy need not be a member of the Company; and
- a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

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

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

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 (i.e. as directed);
- 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;
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

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 question that the resolution be passed; and
- either of the following applies:
 - if a record of attendance is made for the meeting - 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.

Voting Prohibition by Proxy Holders

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote on the basis of that appointment on Resolutions 1 or 4 if the person is either:

- a member of the Key Management Personnel of the Company; or
- a Closely Related Party of such a member, and

the appointment does not specify the way the proxy is to vote on Resolutions 1 or 4.

However, the prohibition does not apply if the proxy is the Chair and the appointment expressly authorises the Chair to exercise the proxy even if Resolutions 1 or 4 is connected directly or indirectly with remuneration of a member of the Key Management Personnel of the Company.

Chair's voting intentions

The Chair intends to exercise all available proxies in favour of all Resolutions, unless the Shareholder has expressly indicated a different voting intention.

If the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on Resolutions 1 or 4 by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Parkway Minerals NL will be held at Level 1, 675 Murray Street, West Perth WA 6005 at 2:00pm AWST on Tuesday, 26 November 2019.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 5:00pm AWST on Sunday, 24 November 2019.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

AGENDA

REPORTS AND ACCOUNTS

To consider and receive the Annual Report of the Company for the financial year ended 30 June 2019, together with the Financial Report, the Directors' Report and the Auditor's Report.

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT (NON-BINDING)

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the Company to adopt the Remuneration Report as contained in the Company's annual Financial Report for the financial year ended 30 June 2019, on the terms and conditions in the Explanatory Statement."

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

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

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

RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR ADRIAN GRIFFIN

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

"That, for the purpose of Listing Rule 14.4, Clause 11.3 of the Constitution and for all other purposes, Mr Adrian Griffin, being a Director, retires by rotation and, being eligible and offering himself for re-election, is hereby re-elected as a Director on the terms and conditions in the Explanatory Statement."

RESOLUTION 3 – APPROVAL FOR ADDITIONAL 10% PLACEMENT FACILITY

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

"That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the issue and allotment of Equity Securities totaling up to 10% of the number of ordinary Shares on issue by way of placements over a 12 month period, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2, and otherwise on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting."

Voting Exclusion:

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, an issue under the 10% Placement Facility (except a benefit solely by reason of being a holder of ordinary Shares in the Company) or an associate of that person (or those persons).

However the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) 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.

RESOLUTION 4 – APPROVAL TO ISSUE PLACEMENT SHARES

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

"That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to \$3,000,000 worth of Shares on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder) or any of their respective associates.

However, the Company need not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chair 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.

RESOLUTION 5 – AMENDMENT TO THE CONSTITUTION

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

"That, pursuant to and in accordance with section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to modify its Constitution by making the amendment contained in the document tabled at the Meeting and signed by the Chair for the purposes of identification, with effect from the close of the Meeting."

DATED: 25 OCTOBER 2019

BY ORDER OF THE BOARD

AMANDA WILTON-HEALD
COMPANY SECRETARY
PARKWAY MINERALS NL

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in connection with the business to be conducted at the Annual General Meeting of the Company to be held at Level 1, 675 Murray Street, West Perth WA 6005 at 2:00pm AWST on Tuesday, 26 November 2019.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the resolutions in the Notice of Meeting.

1. FINANCIAL STATEMENTS

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the Annual Report of the Company for the financial year ended 30 June 2019 together with the declaration of the Directors, the Directors' Report, the Remuneration Report, the Financial Report and the Auditor's Report.

The audited financial statements for the year ended 30 June 2019 included a material uncertainty in the Auditor's Report. The basis for the material uncertainty was due to the Company's ability to continue as a going concern. Please refer to the Annual Report for further details.

There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at <https://parkwayminerals.com.au/investor-centre/financial-reports/>;
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's auditor about:

- (a) the preparation and content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

2. RESOLUTION 1 – REMUNERATION REPORT (NON-BINDING RESOLUTION)

Subsection 250R(2) of the Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with subsection 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors or the Company. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

If at least 25% of the votes cast on this Resolution are voted against adoption of the Remuneration Report at the Annual General Meeting, and at the Company's 2020 annual general meeting, the Company will be required to put to Shareholders at the second annual meeting a resolution proposing the calling of a general meeting to consider the appointment of directors of the Company (**Spill Resolution**).

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the general meeting (**Spill Meeting**) within 90 days of the Company's 2020 annual general meeting. All of the Directors who were in office when the Company's 2020 Directors' Report was approved, other than the managing director of the Company, will cease to hold office immediately before the end of the Spill Meeting, but may stand for re-election at the Spill Meeting. Following the Spill Meeting, those persons whose election or re-election as Directors is approved will be the directors of the Company.

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

The Company's Remuneration Report did not receive a Strike at the 2018 annual general meeting. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2020 annual general meeting, this may result in the re-election of the Board.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

Resolution 1 is an ordinary resolution.

3. RESOLUTION 2 – RE-ELECTION OF MR ADRIAN GRIFFIN

3.1 General

Listing Rule 14.4 and Clause 11.3 of the Constitution provides that a Director of an entity must not hold office (without re-election) past the third annual general meeting following the Director's appointment or 3 years, whichever is longer.

A retiring Director is eligible for re-election. The Directors to retire at any annual general meeting must be those who have been longest in office since their last election but, as between persons who became Directors on the same day, those to retire must (unless they otherwise agree among themselves) be determined by lot.

Mr Adrian Griffin retires and seeks re-election in accordance with Listing Rule 14.4 and Clause 11.3 of the Constitution.

Resolution 2 is an ordinary resolution.

The Directors (other than Mr Griffin) recommend Shareholders vote in favour of the re-election of Mr Griffin.

Details regarding Mr Griffin are set out in Section 3.2 below.

3.2 Mr Adrian Griffin

Mr Adrian Griffin, an Australian-trained mining professional, has had exposure to metal mining and processing worldwide during a career spanning more than three decades. A pioneer of the lateritic nickel processing industry, he has helped develop extraction technologies for a range of minerals over the years. Today, Mr Griffin specialises in mine management and production. He is a former Chief Executive Officer of Dwyka Diamonds Limited, an AIM and ASX-listed diamond producer, was a founding director and executive of Washington Resources Limited and also a founding director of Empire Resources Limited, Ferrum Crescent Limited and Reedy Lagoon Corporation Limited. Moreover, Mr Griffin was a founding director of ASX-listed Northern Minerals, of which company he is currently a non-executive director. He is also the managing director of ASX-listed Lithium Australia NL.

During the last 3 years, Mr Griffin has held directorships at other listed companies including:

- Northern Minerals Ltd (Director June 2006 – present);
- Reedy Lagoon Corporation Ltd (Director June 2014 –present); and
- Lithium Australia NL (Director February 2011 – present).

Mr Griffin is also a member of the Audit & Risk Committee, Remuneration Committee (Chairman) and the Nomination Committee.

4. RESOLUTION 3 – APPROVAL FOR ADDITIONAL 10% PLACEMENT FACILITY

4.1 General

Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval to allow it to issue Equity Securities totalling up to 10% of its issued capital over a period up to 12 months after the entity's annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% annual placement capacity under Listing Rule 7.1.

Resolution 3 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 3 for it to be passed.

An Eligible Entity for the purposes of 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. The Company is an Eligible Entity.

If Shareholders approve Resolution 3, the number of Equity Securities the Company may issue under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (as set out in Section 4.2 below).

The effect of this Resolution will be to allow the Directors to issue Equity Securities totalling up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Facility during a period of up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

The Board believes that this Resolution is in the best interests of the Company and unanimously recommends that Shareholders vote in favour of this resolution.

4.2 Listing Rule 7.1A

(a) Is the Company an eligible entity?

Listing Rule 7.1A enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a market capitalisation of less than \$300 million.

(b) **What Equity Securities can be issued?**

The Equity Securities must be in the same class as an existing class of quoted Equity Securities. The Company currently has two classes of quoted Equity Securities on issue being:

- (i) 1,214,906,085 fully paid ordinary Shares; and
- (ii) 245,158,677 partly paid Shares (paid to \$0.001 and unpaid to \$0.049) (**Partly Paid Shares**).

In addition, the Company has on issue 55,126,000 unquoted options expiring 17 August 2020 and exercisable at \$0.02 (**Unquoted Options**).

(c) **How many Equity Securities can be issued?**

Listing Rule 7.1A.2 provides that under the approved 10% Placement Facility, the Company may issue or agree to issue a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
- (A) plus the number of fully paid Shares issued in the 12 months under an exception in Listing Rule 7.2;
 - (B) plus the number of partly paid shares that became fully paid in the 12 months;
 - (C) plus the number of fully paid Shares issued in the 12 months with Shareholder approval under Listing Rule 7.1 and 7.4. This does not include any issue of Shares under the Company's 15% annual placement capacity without Shareholder approval; and
 - (D) less the number of fully paid Shares cancelled in the 12 months.

Note that "A" has the same meaning in Listing Rule 7.1 when calculating the Company's 15% annual placement capacity.

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with Shareholder approval under Listing Rule 7.1 or 7.4.

(d) **What is the interaction with Listing Rule 7.1?**

The Company's ability to issue Equity Securities under Listing Rule 7.1A will be in addition to its 15% annual placement capacity under Listing Rule 7.1.

(e) **At what price can the Equity Securities be issued?**

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued,

(Minimum Issue Price).

(f) **When can Equity Securities be issued?**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A will be valid from the date of Meeting and will expire on the earlier to occur of:

- (i) the date that is 12 months after the date of the Meeting; or
- (ii) the date of Shareholder approval of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(10% Placement Period).

(g) **What is the effect of Resolution 3?**

The effect of Resolution 3 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without further Shareholder approval or using the Company's 15% annual placement capacity under Listing Rule 7.1.

4.3 Technical information required by Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to this Resolution:

(a) **Minimum Issue Price**

The Minimum Issue Price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date, the date on which the Equity Securities are issued.

If the Company issues Equity Securities for non-cash consideration under the 10% Placement Facility, then, in accordance with the Listing Rules, the Company will provide a valuation of the non-cash consideration to the market that demonstrates that the issue price of the Equity Securities complies with Listing Rule 7.1A.3.

(b) **Date of Issue**

The Company will only issue the Equity Securities under the 10% Placement Facility during the 10% Placement Period.

Shareholder approval of the 10% Placement Facility will cease to be valid if Shareholders approve a transaction under Listing Rule 11.1.2 or 11.2.

(c) **Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Facility will dilute the interests of Shareholders who do not receive any Shares under the issue.

If this Resolution is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Facility, the economic and voting dilution of existing Shares would be as shown in the table below (in the case of Options, only if the Options are converted into Shares).

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Facility.

Number of Shares on Issue	Dilution			
	Number of Shares issued under 10% Placement Facility	Funds raised based on issue price of \$0.004 (50% decrease in current issue price)	Funds raised based on issue price of \$0.007 (Current issue price)	Funds raised based on issue price of \$0.011 (50% increase in current issue price)
1,214,906,085 (Current)	121,490,609	\$425,217	\$850,434	\$1,275,651
1,822,359,128 (50% increase)*	182,235,913	\$637,826	\$1,275,651	\$1,913,477
2,429,812,170 (100% increase)*	242,981,217	\$850,434	\$1,700,869	\$2,551,303

*The number of Shares on issue (variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. The current Shares on issue are the Shares on issue as at 23 October 2019.
2. The current issue price set out above is the last price at which Shares were traded prior to 21 October 2019 (being \$0.007).
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Facility.
4. The issue of Equity Securities under the 10% Placement Facility consists only of Shares (it does not include Partly Paid Shares or Quotes Options even though those securities may be issued under the 10% Placement Facility). It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
5. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
6. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the issue date than on the date of the Annual General Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for those Shares on the date of issue or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

(d) **Purpose of Issue under 10% Placement Facility**

The Company may decide to issue Equity Securities under the 10% Placement Facility for cash consideration to raise funds for the purpose of advancing any of its projects, including the Dinner Hill Project, Dandaragan Trough Project and working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon any issue of Equity Securities under Listing Rule 7.1A.

(e) **Allocation under the 10% Placement Facility**

The allottees of the Equity Securities to be issued under the 10% Placement Facility have not yet been determined. However, the allottees of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be a related party or an associate of a related party of the Company.

The Company will determine the allottees at the time of the issue under the 10% Placement Facility, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the Company's circumstances, including, but not limited to, its financial position and solvency;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

(f) **Previous Approval under Listing Rule 7.1A**

The Company obtained approval under Listing Rule 7.1A at its previous annual general meeting on 26 November 2018. In the 12 months preceding the date of the Meeting and as at the date of this Notice, the Company has issued 741,949,787 Equity Securities. This represents approximately 103% of the total number of Equity Securities on issue at the commencement of that 12 month period.

Details of each issue of Equity Securities by the Company during the 12 months preceding the date of the Meeting are set out in Schedule 1.

4.4 Voting Exclusion

A voting exclusion statement is included in the Notice. As at the date of this Notice, the Company has not invited any existing Shareholder or security holder or an identifiable class of existing security holder to participate in an issue of Equity Securities under Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on this Resolution.

5. RESOLUTION 4 – APPROVAL TO ISSUE PLACEMENT SHARES

5.1 General

The Company intends to raise capital via a placement of Shares to be used to fund existing projects, further project development and working capital (**Placement Shares**).

Resolution 4 seeks the approval of Shareholders pursuant to Listing Rule 7.1 for the issue of up to \$3,000,000 worth of Placement Shares.

Resolution 4 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 4.

5.2 Listing Rule 7.1

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

The effect of Resolution 4 will be to allow the Company to issue the Placement 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 under Listing Rule 7.1.

5.3 Specific information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Placement Shares:

- (a) a maximum of \$3,000,000 worth of Shares are to be issued as Placement Shares. The total maximum number of Placement Shares to be issued is calculated by reference to the issue price, which is set out in Section 5.3(c) below;
- (b) the Placement Shares will be issued no later than 3 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules);
- (c) the issue price of the Placement Shares will be at least 80% of the volume weighted average market price for Shares, calculated over the last 5 days on which sales in Shares were recorded before the day on which the issue is made or, if there is a prospectus relating to the issue, over the last 5 days on which sales in the Shares were recorded before the date of the prospectus;
- (d) the Company has not yet identified parties for the issue of the Placement Shares, however it is the intention of the Company that the Placement Shares will be issued to investors to whom a prospectus does not need to be provided under the Corporations Act. None of the investors will be related parties of the Company. It is not known at the date of the Notice whether the Company will appoint a lead manager or broker to assist with the issue of the Placement Shares;
- (e) the Placement Shares will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue;

- (f) the Company intends to use the funds raised from the issue of the Placement Shares for project development activities on its Dandaragan Trough project and the recently acquired New Mexico Lithium project and Karinga Lakes Joint Venture, and to provide the Company with working capital;
- (g) it is intended that the Placement Shares will issued on the same date, however the Placement Shares may be issued in several tranches; and
- (h) a voting exclusion statement is included in the Notice.

6. RESOLUTION 5 - AMENDMENT TO THE CONSTITUTION

6.1 General

Under section 136(2) of the Corporations Act, a company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 5 seeks the approval of Shareholders to modify the Company's Constitution as set out in Section 6.2 below.

A copy of the amended constitution is available for review by Shareholders at the office of the Company. A copy of the amended constitution can also be sent to Shareholders upon request to the Company Secretary. Shareholders are invited to contact the Company if they have any queries or concerns.

Resolution 5 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Board recommends that Shareholders vote in favour of Resolution 5.

6.2 Proposed amendment

ASX is proposing to introduce a number of changes to the escrow regime in the Listing Rules in December 2019 to make aspects of the listing process and ongoing compliance with the Listing Rules more efficient for issuers and for ASX.

Amongst these, ASX is proposing to introduce a two-tier escrow regime where ASX can and will require certain more significant holders of restricted securities and their controllers to execute a formal escrow agreement in the form of Appendix 9A, as is currently the case. However, for less significant holdings, ASX will instead permit entities to rely on a provision in their constitution imposing appropriate escrow restrictions on the holder of restricted securities and to simply give a notice to the holder of restricted securities in the form of a new Appendix 9C advising them of those restrictions.

Accordingly, the Company is seeking Shareholder approval to amend the Constitution to meet the requirements of proposed amended Listing Rules 9 and 15.12 as follows:

Insert the following new defined terms in Clause 1.3:

"Dispose has the meaning given to that term in the Listing Rules and **Disposal** has the corresponding meaning."

"Restriction Deed means a restriction deed in a form prescribed by the Listing Rules or otherwise approved by a Stock Exchange."

Delete Clause 2.7 in its entirety and replace with the following:

"2.7 Restricted Securities

- (a) *While the Company is on the official list of ASX, the Company must recognise and comply with the Listing Rules with respect to Restricted Securities.*
- (b) *Notwithstanding the generality of Clause 2.7(a):*
 - (i) *a holder of Restricted Securities must not Dispose of, or agree or offer to Dispose of, the Restricted Securities during the escrow period applicable to those Restricted Securities except as permitted by the Listing Rules or ASX;*
 - (ii) *if the Restricted Securities are in the same class as quoted securities, the holder will be taken to have agreed in writing that the Restricted Securities are to be kept on the Company's issuer sponsored sub-register and are to have a holding lock applied for the duration of the escrow period applicable to those securities;*
 - (iii) *the Company will refuse to acknowledge any Disposal (including, without limitation, to register any transfer), of Restricted Securities during the escrow period except as permitted by the Listing Rules or the ASX;*
 - (iv) *a holder of Restricted Securities will not be entitled to participate in any return of capital on those Restricted Securities during the escrow period applicable to those Restricted Securities except as permitted by the Listing Rules or ASX; and*
 - (v) *if a holder of Restricted Securities breaches a Restriction Deed or a provision of this Constitution restricting a Disposal of those Restricted Securities, the holder will not be entitled to any dividend or distribution, or to exercise any voting rights, in respect of those Restricted Securities for so long as the breach continues."*

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SCHEDULE 1 – ISSUES OF SECURITIES IN THE PREVIOUS 12 MONTHS

Date of Issue	Number of Securities	Type of Security	Recipient of Security	Issue Price and details of any discount to Market Price (if applicable)	Consideration, Use of Funds and Current Value as at the date of this Notice
22 January 2019	8,771,966	Shares	Directors and Senior Management under the Company's Plan as approved at the Shareholders' meeting on 30 November 2017	Nil issue price (nil cash consideration)	Remuneration for services provided to the Company as Directors. Current Value: \$43,860
22 January 2019	2,230,304	Shares	Supplier	Nil issue price (nil cash consideration)	Shares in lieu of services provided. Current Value: \$11,152
22 January 2019	766,111	Shares	Supplier	Nil issue price (nil cash consideration)	Shares in lieu of services provided. Current Value: \$11,152
22 January 2019	436,276	Shares	Supplier	Nil issue price (nil cash consideration)	Shares in lieu of services provided. Current Value: \$2,181
22 January 2019	1,307,609	Shares	Supplier	Nil issue price (nil cash consideration)	Shares in lieu of services provided. Current Value: \$6,538
23 July 2019	13,526,122	Shares	Directors and Senior Management under the Company's Plan as approved at the Shareholders' meeting on 30 November 2017	Nil issue price (nil cash consideration)	Remuneration for services provided to the Company as Directors. Current Value: \$67,631
23 July 2019	10,926,891	Shares	Supplier	Nil issue price (nil cash consideration)	Shares in lieu of services provided. Current Value: \$54,634
23 July 2019	1,152,607	Shares	Supplier	Nil issue price (nil cash consideration)	Shares in lieu of services provided. Current Value: \$5,763

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Date of Issue	Number of Securities	Type of Security	Recipient of Security	Issue Price and details of any discount to Market Price (if applicable)	Consideration, Use of Funds and Current Value as at the date of this Notice
27 August 2019	76,000,000	Shares	Sophisticated and professional investors under a placement completed on 27 August 2019	\$0.005 per Share, representing a discount of 29% to the Market Price on the date of issue	\$380,000 (before costs) was raised which has been expended on the acquisition of Consolidated Potash Corporation and working capital.
2 September 2019	14,000,000	Shares	Sophisticated and professional investors under a placement completed on 27 August 2019	\$0.005 per Share, representing a discount of 17% to the Market Price on the date of issue	\$70,000 (before costs) was raised which has been expended on the acquisition of Consolidated Potash Corporation and working capital.
17 September 2019	474,007,945	Shares	Shareholders of Consolidated Potash Corporation Limited and Activated Water Technologies Pty Ltd	Nil issue price (nil cash consideration)	Consideration shares for the acquisition of Consolidated Potash Corporation Limited. Current Value: \$2,370,040
17 September 2019	121,858,356	Partly Paid Shares	Shareholders of Consolidated Potash Corporation Limited and Activated Water Technologies Pty Ltd	Nil issue price (nil cash consideration)	Consideration shares for the acquisition of Consolidated Potash Corporation Limited. Current Value: \$121,858
17 September 2019	10,965,600	Shares	Lions Bay Capital Inc.	Nil issue price (nil cash consideration)	Consideration shares for the acquisition of Consolidated Potash Corporation Limited. Current Value: \$54,828
17 September 2019	6,000,000	Shares	Victoria University	Nil issue price (nil cash consideration)	Consideration shares for the acquisition of Consolidated Potash Corporation Limited. Current Value: \$30,000

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GLOSSARY

In this Explanatory Statement, the following terms have the following meaning:

\$ means Australian dollars.

10% Placement Facility has the meaning given in Section 4.1.

10% Placement Period has the meaning given in Section 4.2(f).

Annual Report means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 30 June 2019, which can be downloaded from the Company's website at www.parkwayminerals.com.au.

ASIC means Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 724 791) or the Australian Securities Exchange, as the context requires.

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

AWST means Western Standard Time, being the time in Perth, Western Australia.

Board means the board of directors of the Company.

Chair means the person appointed to chair the Meeting of the Company convened by the Notice.

Clause means a clause of the Constitution.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations.

Company means Parkway Minerals NL (ABN 62 147 346 334).

Constitution means the Company's constitution.

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

Director mean a director of the Company.

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

Eligible Entity means an eligible entity that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

Equity Securities has the meaning given in the Listing Rules.

Explanatory Statement means the explanatory statement to this Notice.

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

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Listing Rules means the listing rules of ASX.

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

Minimum Issue Price has the meaning given in Section 4.2(e) of the Explanatory Statement.

Notice or **Notice of Meeting** or **Notice of Annual General Meeting** means the notice of meeting accompanying this Explanatory Statement.

Option means an option to acquire a Share.

Partly Paid Share has the meaning given in Section 4.2(b) of the Explanatory Statement.

Placement Shares has the meaning given in Section 5.1.

Proxy Form means the proxy form attached to the Notice.

Remuneration Report means that section of the Directors' Report under the heading "Remuneration Report" set out in the Annual Report.

Resolution means a resolution referred to in the Notice.

Schedule means a schedule to the Notice.

Section means a section of the Explanatory Statement.

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

Shareholder means a shareholder of the Company.

Spill Meeting has the meaning given in Section 2 of the Explanatory Statement.

Spill Resolution has the meaning given in Section 2 of the Explanatory Statement.

Strike means a 'no' vote of 25% or more on the resolution approving the Remuneration Report.

Trading Day has the meaning given in the Listing Rules.

Unquoted Options has the meaning given in Section 4.2(b) of the Explanatory Statement.

VWAP means the volume weighted average price of the Shares.

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APPOINTMENT OF PROXY
PARKWAY MINERALS NL
ABN 62 147 346 334

ANNUAL GENERAL MEETING

I/We _____
of _____
being a member of Parkway Minerals NL entitled to attend and vote at the Annual General Meeting, hereby
appoint _____

Name of Proxy

OR the Chair of the Annual General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the Annual General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the Annual General Meeting to be held at Level 1, 675 Murray Street, West Perth WA 6005 at 2:00pm AWST on Tuesday, 26 November 2019, and at any adjournment thereof.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

Important: If the Chair is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chair to exercise the proxy in respect of Resolution 1, even though these Resolutions are connected directly or indirectly with the remuneration of the Company's Key Management Personnel.

Voting on Business of the Annual General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Re-election of Director – Mr Adrian Griffin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Approval for Additional 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Approval to issue Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Amendment to the Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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 to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is _____%

Signature of Member(s):

Date: _____

Individual or Member 1

Member 2

Member 3

Sole Director/Company Secretary

Director

Director/Company Secretary

Contact Name: _____ Contact Ph (daytime): _____

E-mail Address: _____ Consent for contact by e-mail YES NO

PARKWAY MINERALS NL
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1. A shareholder entitled to attend and vote at a meeting is entitled to appoint not more than two proxies to attend and vote on their behalf. Where more than one proxy is appointed, such proxy must be allocated a proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.

2. A duly appointed proxy need not be a shareholder of the Company. In the case of joint holders, all must sign.

3. Corporate shareholders should comply with the execution requirements set out on the proxy form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

- two Directors of the company;
- a Director and a company secretary of the company; or
- for a proprietary company that has a sole Director who is also the sole company secretary – that Director.

For the Company to rely on the assumptions set out in section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole Director and sole company secretary of the company must state that next to his or her signature.

4. Completion of a proxy form will not prevent individual shareholders from attending the meeting in person if they wish. Where a shareholder completes and lodges a valid proxy 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.

5. Where a proxy form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.

6. To vote by proxy, please complete and sign the proxy form enclosed and either:

- (a) send the proxy form by post to Parkway Minerals NL, PO Box 1088, West Perth, Western Australia 6872;
- (b) send the Proxy Form by e-mail to info@parkwayminerals.com.au; or
- (c) send the proxy form by facsimile to the Company on facsimile number (08) 9475 0847,

so that it is received not later than 2:00pm AWST on Sunday, 24 November 2019.

Proxy forms received later than this time will be invalid.

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