

BATHURST RESOURCES LIMITED

Notice of Annual General Meeting

2:00pm on Wednesday 2 December 2020

LETTER FROM THE CHAIRMAN

13 November 2020

Dear Shareholder

I am pleased to invite you to attend our 2020 Annual General Meeting (“AGM”) which will be held at 2.00pm (New Zealand daylight time “NZDT”) on Wednesday 2 December 2020.

With regard to the COVID-19 pandemic and the implications this has for being able to attend an in-person AGM, as well as the general health and safety of attendees, the board of directors of Bathurst (“Board”) has decided to hold the AGM as a virtual meeting. Shareholders will not be able to attend the 2020 AGM physically but will instead be able to view and participate in the virtual meeting online.

You will be able to watch and participate in the meeting in real-time on your computer or mobile device through an online platform that allows you to vote. Questions or comments for directors and our auditors can be submitted via the same online platform in advance of the meeting and will be responded to throughout the meeting. Further information on how you can participate in the AGM (including how to register, vote and ask questions) is set out on the following pages.

At the meeting, Richard Tacon (CEO) and I will provide an overview of Bathurst’s performance during the 2020 financial year. Additional information regarding Bathurst’s performance is contained in the 2020 Annual Report, which can be viewed on our website www.bathurst.co.nz.

The items of business to be considered at the AGM are set out in the following pages, which also include explanatory notes and the Board’s voting recommendations. Mr Peter Westerhuis is seeking re-election at this meeting, which the Board unanimously supports.

Each shareholder’s vote is important and I encourage you to attend the meeting or complete the proxy form accompanying this document and return it to the share registry in accordance with the directions given.

Yours faithfully



Toko Kapea
Chairman

HOW TO PARTICIPATE



Watch and participate online

Shareholders and proxyholders can watch and vote during the virtual AGM via the online platform at:

<https://bathurstagm2020.chimeagm.live>

To do this, you will need a computer or mobile/tablet device with internet access.

Shareholders: when you log onto the online platform, you will need to provide your username and password. Your username is your CSN/shareholder number, and your password is your post code as documented in the share register as part of your postal address, and will be noted on communications sent to you by Computershare.

Proxyholders: log-in details will be emailed to proxyholders (in the event that the nominated proxy holder is not the Bathurst Chairman). This is reliant on you disclosing your nominated proxy's email address when you appoint your proxy.

More information about how to use the Bathurst AGM online platform is available in the virtual meeting online guide, which is available on our website and on page 11 in this document.



Viewing a recorded webcast

An archive of the webcast will be available on our website shortly after the meeting concludes. You do not need to be a shareholder or proxyholder to view the webcast.



Other options for voting

If you are unable to join us at the AGM, we encourage you to appoint a proxy to attend and vote on your behalf. If you direct your proxy how to vote, your votes will be cast at the meeting in accordance with your directions.

Shareholders can appoint a proxy online at <http://www.investorvote.co.nz> or by following the instructions on the proxy/voting form that you will receive from our share registrar, Computershare. These must be submitted **by no later than 2:00pm (NZDT) on Monday 30 November 2020** to be valid.

Even if you plan to attend the virtual meeting, you are encouraged to submit a directed proxy in advance of the meeting so that your votes can still be counted if for any reason you cannot attend (for example, if there is an issue with your internet connection on the day of the meeting).



How to ask questions

We encourage you to submit written questions to directors and Bathurst's auditor (KPMG) in advance of the meeting at:

<https://bathurstagm2020.chimeagm.live>

During the course of the meeting, we will address as many of the more frequently raised relevant questions **received before 2:00pm on 30 November 2020** as possible.

We will provide responses via our website after the meeting has ended, for the more frequently raised relevant questions received during the meeting.

NOTICE OF THE AGM

Time and place of meeting

The 2020 AGM of the shareholders of Bathurst Resources Limited (“Company”) will be held:

Date: Wednesday 2 December 2020
Time: 2.00pm (NZDT)
Location: Online at <https://bathurstagm2020.chimeagm.live>

Items of business

Receive and consider the annual report

To receive and consider the annual report of the Company which includes the financial statements, directors’ report and the auditor’s report for the financial year ended 30 June 2020.

Note: there is no requirement for shareholders to approve these reports.

Resolution 1: Re-election of Peter Westerhuis as an independent, non-executive director

“To re-elect as director Peter Westerhuis, who retires as a director by rotation in accordance with Listing Rule 14.4 and the provisions of the Constitution, and being eligible, offers himself for re-election.”

Note: The non-candidate directors unanimously support the re-election of Mr Peter Westerhuis.

Resolution 2: Appointment and determination of remuneration of auditor

“To record the re-appointment of KPMG as auditor of the Company and to authorise the directors to fix the auditor’s remuneration for the coming year.”

Resolution 3: Approval of 10 percent placement capacity increase

“That, for the purposes of ASX Listing Rule 7.1A, and for all other purposes, approval is given for the Company to have the additional capacity to issue equity securities in the capital of the Company, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2, and on the terms and conditions set out in the explanatory notes.”

Chairman’s voting intentions

The Chairman intends to vote undirected proxies in favour of all resolutions set out in this notice. The Chairman will call for a poll for all proposed resolutions. Please refer to the explanatory notes for further information on the resolutions and voting exclusions.

By order of the Board



Bill Lyne
Company Secretary
Dated: 13 November 2020

Please read the whole of this document carefully before determining how you wish to vote and then cast your vote accordingly, either in person or by proxy. If you are in doubt as to how you should vote in respect of any resolution, or any other matter raised in this document, please seek advice from a qualified professional adviser.

DIRECTIONS REGARDING THE MEETING

Eligibility to attend and vote

You are eligible to vote and attend the AGM if you are recognised as a shareholder at **5.00pm (NZDT) on 30 November 2020**. Transactions registered after that time will be disregarded in determining entitlements to attend and vote at the AGM.

Registration

Your registration will be assumed if our system logs you as present. We will identify shareholders registered as attending the AGM using your unique CSN/shareholder number, which you will use as your username to gain access.

You can access our online AGM portal from the date of this notice of meeting; however the voting function will only be accessible once the AGM commences.

How to vote

Live voting online during the AGM

To vote in person, please attend the AGM on the date, time and via the online virtual link set out above in the notice. You will be able to vote for, against or abstain on each item via the online platform.

Appointing a proxy

You can appoint a proxy to attend and vote on your behalf as an alternative to attending the meeting.

You may appoint a proxy either online at www.investorvote.co.nz or by completing and submitting your proxy form which is enclosed at the back of this document, where full details are disclosed on how to appoint a proxy. Your proxy submission must be received no later than **2:00pm (NZDT) on 30 November 2020**.

A proxy need not be a shareholder, and may be an individual or a company. If you are a shareholder entitled to cast two or more votes, you may appoint up to two proxies. If you appoint two proxies, you will need to submit two proxy forms and will need to submit these via post as a second proxy cannot be appointed online. You may specify the proportion or number of votes each proxy is appointed to exercise; if this is not specified, each proxy may exercise half of the votes disregarding fractions.

Any instrument of proxy deposited or received by the Company in which the name of the appointee is not filled in shall be deemed to be given in the favour of the Chairman.

Submitting your proxy form

Your submission must be received by no later than **2:00pm (NZDT) on 30 November 2020**. You can appoint your proxy:



Online

www.investorvote.co.nz



By mail:

Computershare Investor Services Limited
Private Bag 92119
Auckland 1142
New Zealand



By fax:

+64 9 488 8787

EXPLANATORY NOTES

Receive and consider the annual report

The annual report of the Company includes the financial statements, directors' report and the auditor's report for the financial year ended 30 June 2020. A copy of the annual report is available at www.bathurst.co.nz and will be made available to download as a document from within the online AGM portal.

During this item of business, directors will answer questions received in advance of the AGM from shareholders on the Company's management and operations.

A representative of the Company's auditors will also be available to answer questions received in advance of the AGM, to the extent they are relevant to the conduct of the audit of the Company, the preparation and contents of the auditor's report contained in section 2 of the annual report, the accounting policies adopted by the Company in the preparation of its financial statements, and the independence of the auditor.

Resolution 1: Re-election of Peter Westerhuis as an independent, non-executive director

Peter Westerhuis retires by rotation at this meeting and offers himself for re-election to the board.

Mr Westerhuis was appointed as a director of the Company in April 2015. He has extensive knowledge of the Company and serves as Chair for the Health, Safety, Environment and Community Committee. He is a professional engineer with post-graduate business qualifications and over 30 years of Australian and international resources experience, the last 12 years at CEO and MD level. Mr Westerhuis's position as an independent director was re-affirmed during the year through a formal evaluation process against the updated ASX guidelines on director independence.

The Board considers Mr Westerhuis's extensive experience in the mining sector, and his position as an independent, non-executive director, as a valuable part of the Board's existing skills and experience.

The non-candidate directors unanimously support the re-election of Mr Westerhuis.

Resolution 2: Appointment and determination of remuneration of auditor

Section 207T of the Companies Act 1993 ("Act") provides that a company's auditor is automatically re-appointed unless there is a resolution or other reason for the auditor not to be re-appointed. The Company wishes KPMG to continue as the Company's auditor, and KPMG has indicated its willingness to do so.

Section 207S of the Act provides that the fees and expenses of the auditor are to be fixed in such a manner as the Company determines at the meeting. The Board proposes that the auditor's fees be fixed by the directors.

The directors unanimously recommend that shareholders vote in favour of Resolution 2.

Resolution 3: Approval of 10 percent placement capacity increase

Overview of resolution

ASX Listing Rule 7.1A enables eligible entities to have an additional 10 percent capacity to issue equity securities for cash consideration through placements over a 12-month period after its AGM (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's ability to issue equity securities up to 15 percent of its issued share capital under ASX Listing Rule 7.1 (**15% Placement Facility**).

For the purposes of ASX Listing Rule 7.1A, an eligible entity is an entity that:

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

The Company is an eligible entity for the purposes of ASX Listing Rule 7.1A.

The Company is seeking shareholder approval by way of a special resolution to have the ability to issue equity securities under the 10% Placement Facility. The exact number of equity securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (refer below).

The effect of Resolution 3 will be to allow the Company to issue equity securities under ASX Listing Rule 7.1A during the 10% Placement Period without shareholder approval and without reliance on the Company's 15% Placement Facility.

Resolution 3 is a special resolution and therefore requires approval of 75 percent of the votes cast by shareholders present and entitled to vote on the resolution (attendance at the virtual AGM, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative).

Description of ASX Listing Rule 7.1A

(a) Shareholder approval

The Company's ability to issue equity securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an AGM of the Company.

(b) Equity securities

Any equity securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of equity securities of the Company.

(c) Formulae for calculating 10% Placement Facility

The exact number of equity securities that the Company may issue under the 10% Placement Facility will be calculated according to the following formula (as prescribed by ASX Listing Rule 7.1A.2):

(A x D) – E

A is the number of shares on issue 12 months before the date of issue or agreement:

- plus the number of fully paid shares issued in the 12 months under an exception in ASX Listing Rule 7.2;
- plus the number of partly paid shares that became fully paid in the 12 months;
- plus the number of fully paid shares issued in the 12 months with approval of holders of shares under ASX Listing Rule 7.1 and 7.4, but not including an issue of fully paid shares under the entity's 15% Placement Facility without shareholder approval; and
- less the number of fully paid shares cancelled in the 12 months.

D is 10%

E is the number of equity securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under ASX Listing Rules 7.1 or 7.4.

Minimum issue price

The issue price of equity securities issued under ASX Listing Rule 7.1A must be issued for a cash consideration per security which is not less than 75 percent of the VWAP of equity securities in the same class calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- the date on which the price at which the equity securities are to be issued is agreed; or
- if the equity securities are not issued within 10 ASX trading days of the date in paragraph (1) above, the date on which the equity securities are issued.

10% Placement Period

The equity securities may be issued under the 10% Placement Facility commencing on the date of the AGM and expiring on the first to occur of the following:

- the date that is 12 months after the date of the AGM at which approval is obtained; or
- the time and date of the Company's next AGM; or
- the time and date of the approval by shareholders of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main understanding) (after which date, an approval under ASX Listing Rule 7.1A ceases to be valid),

or such longer period if allowed by the ASX (**10% Placement Period**).

Specific information required in accordance with ASX Listing Rule 7.3A

(a) 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 Resolution 3 is approved by shareholders and the Company issues the maximum number of equity securities available under the 10% Placement Facility, the existing shareholders' voting power in the Company will be diluted. An example of the potential dilution of the shareholders' voting power in the Company is shown in the below table, which example is based on a number of qualifications and assumptions.

There is a risk that:

- the market price for the Company's shares may be significantly lower on the date of the issue of the equity securities than on the date of the AGM; and
- the equity securities may be issued at a price that is at a discount to the market price for the Company's shares on the issue date,

which may have an effect on the amount of funds raised by the issue of the equity securities.

The table below shows the potential dilution of existing shareholders on the basis of the current market price of shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date noted below.

The table also shows:

- two examples where variable "A" has increased, by 50 percent and 100 percent. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under ASX Listing Rule 7.1 that are approved at a future shareholders' meeting; and
- two examples of where the issue price of ordinary securities has decreased by 50 percent and increased by 100 percent as against the current market price.

Variable "A" shares on issue		Dilution		
		AU \$0.021 50% decrease in market price	AU \$0.042 Current market price	AU \$0.084 100% increase in market price
Current Variable "A"	Shares issued	1,709,519,431	1,709,519,431	1,709,519,431
	Funds raised	\$35,899,908	\$71,799,816	\$143,599,632
50% increase in Variable "A"	Shares issued	2,564,279,147	2,564,279,147	2,564,279,147
	Funds raised	\$53,849,862	\$107,699,724	\$215,399,448
100% increase in Variable "A"	Shares issued	3,419,038,862	3,419,038,862	3,419,038,862
	Funds raised	\$71,799,816	\$ 143,599,632	\$287,199,264

The table above uses the following assumptions:

- there are currently 1,709,519,431 shares on issue as at the date of this notice of meeting;
- the market price set out above is the closing price of the shares on the ASX on 9 November 2020;
- the Company issues the maximum possible number of equity securities under the 10% Placement Facility;

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- the Company has not issued any equity securities in the 12 months prior to the AGM that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1;
- the issue of equity securities under the 10% Placement Facility consists only of shares;
- no remaining performance rights or convertible notes will be exercised into shares before the date of issue of the equity securities (for details of rights and notes on issue, refer <https://www.bathurst.co.nz/assets/reports/2020-08-18-Appendix-3G.pdf>);
- 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;
- this table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1; and
- the table does not show an example of dilution that may be caused to a particular shareholder by reason of placements under the 10% Placement Facility, based on that shareholder's holding at the date of the AGM.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's shares may be significantly lower on the issue date than on the date of the AGM; and
- (ii) the shares may be issued at a price that is at a discount to the market price for those shares on the date of issue.

(b) Purpose of issue under 10% Placement Facility

The Company may seek to raise funds by the issue of equity securities under the 10% Placement Facility for the following purposes:

- (i) acquisition of new resources, assets or investments (including expenses associated with such acquisition); or
- (ii) seeking to resolve the Company's debts as they fall due; or
- (iii) general working capital.

The Company will comply with the disclosure obligations under the ASX Listing Rules 7.1A(4) and 3.10.5A upon issue of any equity securities pursuant to the 10% Placement Facility.

(c) Allocation policy under the 10% Placement Facility

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility.

The identity of the recipients of equity securities will be determined on a case-by-case basis having regard to factors that include the following:

- (i) the methods of raising funds that are available to the Company, including rights issues or other issues in which existing security holders can participate;
- (ii) the effect of the issue of the equity securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The recipients of any equity securities issued under the 10% Placement Facility have not been determined as at the date of this notice of meeting, but may include existing shareholders and/or new investors who are not a related body corporate (as that term is defined in the Australian Corporations Act 2001) of the Company or their associates.

If Resolution 3 is approved by shareholders, the Company may issue equity securities under the 10% Placement Facility during the 10% Placement Period, as and when the circumstances of the Company require.

(d) Previous approval under ASX Listing Rule 7.1A

There have been no previous instances of the Company making an application under ASX Listing Rule 7.1A.

(e) Voting exclusions

For the purposes of ASX Listing Rule 7.1A, a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder or ordinary securities, if the resolution is passed, and any associates (as defined in the Australian Corporations Act 2001) of those persons, will not be entitled to cast votes in favour of Resolution 3, and the Company must disregard any such vote cast on Resolution 3.

However, the Company need not disregard a vote if:

- (1) 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
- (2) it is cast by the person chairing the AGM 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.

At the date of the notice, the Company has not approached any specific existing shareholder or security holder or an identifiable class of existing security holders to participate in the issue of the equity securities under the 10% Placement Facility. No existing shareholder's votes will therefore be excluded.

The Directors unanimously recommend that shareholders vote in favour of Resolution 3.

VIRTUAL MEETING ONLINE GUIDE

Getting started

- Please make sure your browser is up to date on your smartphone, tablet or computer. Preferred browsers are Chrome or Firefox.
- The Bathurst Resources Limited virtual AGM (“Bathurst AGM”) will be available at <https://bathurstagm2020.chimeagm.live>
- The Bathurst AGM online portal will be available for shareholders to log in and familiarise themselves with the website, and submit questions for directors and Bathurst’s auditor KPMG, from the date the notice of meeting is released.

Logging in

- You will need to enter in two identifying factors to gain entry to the Bathurst AGM online portal.
- The first is your **log-in name**, which is your **CSN/security holder number** which was assigned to you when you became a shareholder of Bathurst by our share registrar, Computershare. Your CSN/security holder number will be on communications sent to you by Computershare with regard to your shareholding.
- The second is a **password**. This will be your **postal code** as documented in the **share register** as part of your postal address, and will be noted on communications sent to you by Computershare.
- If you opt to appoint a proxy and the proxy is not the Bathurst Chairman, you will need to provide your proxy’s email address so that we can email your proxy their log-in details. The email address can be provided via the same channels that you appoint a proxy, which will be detailed on your voting/proxy form. Cut-off times apply for appointing a proxy are also detailed on this form.

Home page

- Click the start button on the home page, you can navigate the Bathurst AGM platform via the menu located on the left-hand side of the page.

Voting

- The online voting function will open once the AGM goes live, which is 2:00pm New Zealand daylight savings time on Wednesday 2 December 2020. The voting function will close on the cessation of the meeting by the Chairman.
- Each resolution to be voted on is listed in order and you can select from three voting options: In Favour, Against or Abstain.
- To vote, you need to click on one of the voting options buttons. The button of the option selected will change colour and a small lock icon will appear in the bottom right-hand corner.
- Up until the Chairman closes the poll, you may change your vote, by clicking on the lock icon of your previous choice and then selecting your preferred option.
- Final voting results will be released on our website and on the ASX once the Bathurst AGM has ended and all votes have been counted.

Questions

- We encourage you to submit questions for directors or auditors KPMG via the Bathurst AGM online portal in advance of the meeting. During the course of the meeting, we will address as many of the more frequently raised relevant questions received before 2:00pm on 30 November 2020 as possible.
- You can also submit questions for directors or KPMG during the meeting. We will provide responses via our website after the meeting has ended, for the more frequently raised relevant questions received during the meeting.
- Once in the online portal, you can submit your questions either via the menu tab or the chat box at the bottom left-hand side of the page. Only you will be able to view your questions submitted.

Live streaming of the AGM

- The format of Bathurst’s virtual AGM will be audio with a shared screen.
- To access the live audio stream, you can click on the video camera icon located at the top right-hand side of the page.
- The live stream will start 2:00pm New Zealand daylight savings time on Wednesday 2 December 2020.

Troubleshooting

- We encourage you to access the online portal before the AGM.
- If you have any technical or log-in issues please contact Virtual_Events_Questions@encore-anzpac.com