



ABN 86 121 985 395

NOTICE OF GENERAL MEETING

For the General Meeting to be held on
Friday 9 August 2019 at 10am (WST) at
Ground Floor, 10 Outram Street, West Perth WA 6005,
Australia.

This Notice of general meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on +61 8 9221 0090

Shareholders are urged to attend or vote by lodging the Proxy Form attached to this Notice.

NOTICE OF GENERAL MEETING

Notice is hereby given that the general meeting of Shareholders of Pensana Metals Limited (**Company**) will be held on **Friday 9 August 2019 at 10am (WST) (Meeting)**.

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form forms part of this Notice.

Terms and abbreviations used in this Notice (including the Explanatory Memorandum) are defined in Schedule 1.

TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The general meeting of Shareholders of the Company will be held at:

**Ground Floor, 10 Outram Street,
West Perth WA 6005, Australia.
Commencing at 10.00am (WST) on Friday 9 August 2019**

VOTING ENTITLEMENTS

For the purposes of the Corporations Act, all securities of the Company that are quoted securities at 5.00pm (WST) on Wednesday, 7 August 2019 will be taken, for the purposes of the Meeting, to be held by the persons who held them at the time and such persons are eligible to vote at the Meeting.

HOW TO VOTE

The business of the Meeting affects your shareholding and your vote is important. Please take action by voting in person (or authorised representative) or by proxy.

VOTING IN PERSON

To vote in person, attend the Meeting on the date and at the place set out above. The Meeting will commence at 10.00am (WST).

PROXIES

A Proxy Form accompanies this Notice of Meeting. To be effective the Proxy Form must be completed and received by the Company by 10.00am (WST) on Wednesday 7th August 2019, being no later than 48 hours before commencement of the Meeting.

To vote by proxy, please complete and sign the proxy form enclosed with this Notice of General Meeting as soon as possible and either:

- e-mail the proxy to info@pensanametals.com; or
- deliver the proxy in person to the Company at Ground Floor, 10 Outram Street, West Perth, WA 6005; or
- mail the proxy to the Company at PO Box 1671, West Perth WA 6872; so it is received not later than 10am (WST) on 7th August 2019.

If you are entitled to attend and cast a vote at the Meeting, you may appoint up to two proxies. A proxy may be an individual or a corporation but need not be a Shareholder. If you appoint two proxies each proxy may exercise half of your votes if no proportion or number of votes is specified.

If you appoint a proxy but attend the Meeting yourself, the rights of the proxy to speak and vote on your behalf at the Meeting will be suspended while you are present.

CORPORATE REPRESENTATIVES

A corporation may appoint an individual as a representative to exercise its powers as Shareholder or as a Shareholder's proxy. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed, unless it has been previously given to the Company's share registry.

POWERS OF ATTORNEY

A person appearing as an attorney for a Shareholder should produce a properly executed original (or certified copy) of an appropriate power of attorney for admission to the general meeting.

AGENDA

1. RESOLUTION 1 - RATIFICATION OF PLACEMENT

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

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 181,822,512 Shares at an issue price of \$0.02 per Share 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 a person who participated in the Placement or any associate of that person.

The Company will 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 Chairman 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.

2. RESOLUTION 2 - CONSOLIDATION

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

"That, for the purposes of section 254H of the Corporations Act, the Listing Rules and for all other purposes, the issued capital of the Company be consolidated on the basis that:

- (a) *every ten (10) Shares be consolidated into one (1) Share; and*
- (b) *all Options and Performance Rights be reorganised in accordance with the Listing Rules, with any resulting fractions of a Share, Option or Performance Right rounded up to the next whole number (as the context requires), on the terms and conditions in the Explanatory Memorandum."*

Dated: 3 July 2019

By order of the Board

Scott Mison
Company Secretary

EXPLANATORY MEMORANDUM

1. INTRODUCTION

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Ground Floor, 10 Outram Street, West Perth, Western Australia on Friday 9th August 2019 at 10.00am (WST).

This Explanatory Memorandum forms part of the Notice which should be read in its entirety. This Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

A Proxy Form is located at the end of this Explanatory Memorandum.

2. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders should read the Notice including this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Proxies

A Proxy Form is attached to the Notice. 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. Returning the Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) 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. Where the proportion or number is not specified, each proxy may exercise half of the votes.

Proxy Forms must be received by the Company no later than 10.00am (WST) on Wednesday 7th August 2019, being at least 48 hours before the Meeting.

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

3. RESOLUTION 1 - RATIFICATION OF PLACEMENT

3.1 Background

On 4 June 2019, the Company announced a Share placement to institutional and sophisticated investors (**Placement**). The Placement involved the issue of 250,000,000 Shares to sophisticated and institutional investors at \$0.020 per Share to raise \$5 million before costs.

The 250,000,000 fully paid ordinary shares were issued under the Company's placement capacity in accordance with ASX Listing Rule 7.1 (181,822,512 Shares) and 7.1A (68,177,488 Shares).

3.2 Listing Rule 7.4

181,822,512 Shares issued under the Placement were issued within the Company's 15% annual limited permitted under Listing Rule 7.1, without the need for Shareholder approval.

Resolution 1 is an ordinary resolution

The effect of passing Resolution 1 will be to restore the Company's ability to issue further Equity Securities to the maximum 15% limited during the next 12 months.

3.3 Specific information required by Listing Rule 7.5

For the purposes of Shareholder approval of the Placement and the requirements of Listing Rule 7.5, information is provided as follows:

- (a) 181,822,512 Shares were issued to sophisticated and institutional investors on 7 June 2019;
- (b) the Shares were issued for \$0.02 per Share which represented a 1.7% discount to the 15-day volume weighted average price of Shares trading on ASX at the close of trading prior to the date of issue;
- (c) the Shares were issued on the same terms and conditions and rank equally in all respects with existing Shares;
- (d) the Shares were issued to professional and sophisticated investors and clients of RFC Ambrian and Ashanti Capital Pty Ltd and who were not related parties, or associates of related parties, of the Company;
- (e) the funds raised from the Placement will be applied to the execution of a Pre-Feasibility Study by Wood Group into the development of the Longonjo NdPr Project in Angola which will be reported in September and general working capital; and
- (f) a voting exclusion statement is included in the Notice for Resolution 1.

3.4 Director Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 1.

The Chairman intends to vote undirected proxies in favour of Resolution 1.

4. RESOLUTION 2 - CONSOLIDATION

4.1 Background

The Company proposes to consolidate its share capital through the conversion of every 10 Shares into one Share (**Consolidation**).

Section 254H of the Corporations Act permits a company to consolidate its shares if the consolidation is approved by an ordinary resolution of shareholders at a general meeting.

The Listing Rules also require that:

- (a) in respect of convertible securities other than options, the number of securities or the conversion price (or both) must be reorganised so that the holders of the convertible securities will not receive a benefit that holders of ordinary securities do not receive; and
- (b) in respect of options, the number of options must be consolidated in the same ratio as the ordinary capital and the exercise price amended in inverse proportion to that ratio.

As the Consolidation applies equally to all Shareholders, individual shareholdings will be reduced in the same ratio as the total number of Shares (subject to rounding). Accordingly, the Consolidation will have no effect on the percentage interest that each Shareholder holds in the Company

For the avoidance of doubt, all amounts of Shares, Options and Performance Rights referred to in this Notice are stated on a pre-Consolidation basis.

At the date of this Notice, the Company has 1,473,650,081 shares on issue, which represents a relatively large number of shares. The Directors propose the Consolidation because it will result in a more appropriate, effective capital structure for the Company and a share price more appealing to a wider range of investors.

4.2 Convertible Securities

At the date of this Notice, the Company has on issue unlisted Options and Performance Rights (**Convertible Securities**).

If the Consolidation is approved, the Convertible Securities will also be reorganised in accordance with their terms and conditions and Listing Rule 7.22.1.

The number of Options or Performance Rights will be consolidated in the same ratio as the Consolidation in relation to Shares, and the exercise price (if applicable) will be amended in inverse proportion to that ratio.

For example, if Resolution 2 is approved, a holder of 1,000 Options with an exercise

price of \$0.06 will, on completion of the Consolidation, hold 100 Options with an exercise price of \$0.60.

4.3 Specific information required by Listing Rule 7.20

In accordance with Listing Rule 7.20, the following information is provided in relation to the Consolidation as follows:

- (a) the number of Shares, Options and Performance Rights on issue will change as set out in the following table:

Type of securities	Number of securities currently on issue	Number of securities on issue (post-Consolidation)
Shares	1,473,650,081	147,365,008
Options	22,000,000	2,200,000
Existing Performance Rights vesting in various tranches	144,660,742	14,466,075

- (b) any resulting fractions of a Share will be rounded up to the next whole number of Shares; and

- (c) convertible securities will be dealt with in accordance with Section 4.2

4.4 Timing

If Shareholders approve Resolution 2, the Consolidation will take effect according to the following timetable:

Event	Date
The Company notifies ASX that Shareholders have approved the Consolidation.	9 August 2019
Last day for pre-Consolidation trading.	12 August 2019
Post-Consolidation trading starts on a deferred settlement basis.	13 August 2019
Last day for the Company to register transfers on a pre-Consolidation basis.	14 August 2019
First day for Company to send notice to each holder of the change in their details of holdings.	15 August 2019
First day for the Company to register Securities on a post-Consolidation basis and first day for issue of holding statements.	

Change of details of holdings date. Deferred settlement market ends. Last day for Securities to be entered into holders' Security holdings. Last day for the Company to send notice to each holder of the change in their details of holdings.	21 August 2019
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These dates are indicative only and may change subject to the requirements of the Corporations Act and Listing Rules.

4.5 Directors' Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 2.

SCHEDULE 1: DEFINITIONS

In the Notice and this Explanatory Memorandum, words importing the singular include the plural and vice versa.

\$ means Australian Dollars.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Board means the board of Directors.

Chairman means the person appointed to chair the Meeting, or any part of the Meeting, convened by the Notice.

Child Entity has the same meaning as in the Listing Rules.

Closely Related Party means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

Company means Pensana Metals Limited (ACN 003 103 544).

Consolidation has the meaning given in Section 4.1

Constitution means the constitution of the Company.

Convertible Securities has the meaning given in Section 4.2

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

Director means a director of the Company.

Equity Securities has the same meaning as in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum that forms part of the Notice.

Listing Rules means the listing rules of ASX.

Meeting has the meaning in the introductory paragraph of the Notice.

Notice means the notice of meeting that comprises of the notice, agenda, Explanatory Memorandum and Proxy Form.

Option means an option to acquire a Share.

Performance Right means a performance right granted under the Company's employee incentive plan.

Placement has the meaning given in Section 3.1

Proxy Form means the proxy form attached to the Notice.

Remuneration Report means the remuneration report of the Company contained in the Annual Report.

Resolution means a resolution contained in the Notice.

Schedule means a schedule to this Explanatory Memorandum.

Section means a section of this Explanatory Memorandum.

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

Shareholder means a holder of a Share.

Trading Day has the same meaning as in the Listing Rules.

VWAP means volume weighted average price.

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

All Correspondence to:

✉ **By Mail** PO BOX 1671
West Perth WA 6872

✉ **By Email:** info@pensanametals.com

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10:00am (WST) on Wednesday 7 August 2019.**

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

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

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **10:00am (WST) on Wednesday, 7 August 2019.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the methods below:

✉ **By Email** info@pensanametals.com

✉ **By Mail** PO BOX 1671
West Perth WA 6872

👤 **In Person** Ground Floor
10 Outram Street
West Perth WA 6005

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Pensana Metals Ltd

ABN 86 121 985 395

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

Please note, you cannot change ownership of your securities using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Pensana Metals Ltd** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting (mark box)**

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the General Meeting of the Company to be held at **Ground Floor, 10 Outram Street, West Perth WA 6005 on Friday, 9 August 2019 at 10:00am (WST)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

The Chair of the Meeting intends to vote undirected proxies in favour of each of the items of business.

STEP 2 VOTING DIRECTIONS
* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Ratification of Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Consolidation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SECURITYHOLDERS
This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2019