
**ISHINE INTERNATIONAL RESOURCES LIMITED (TO BE
RENAMED 'SUPERIOR LAKE RESOURCES LIMITED')**

ACN 139 522 553

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10:00 am (WST)
DATE: 6 February 2018
PLACE: Suite 8/1297 Hay Street
West Perth, Western Australia 6005

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

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.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 10:00am (WST) on 4 February 2018.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 - CHANGE TO NATURE AND SCALE OF ACTIVITIES

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

"That, subject to and conditional upon the passing of all Essential Resolutions, for the purpose of ASX Listing Rule 11.1.2 and for all other purposes, approval is given for the Company to make a significant change in the nature and scale of its activities as described in the Explanatory Statement accompanying this Notice."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. RESOLUTION 2 – ISSUE OF CONSIDERATION SHARES

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

"That, subject to and conditional upon the passing of all Essential Resolutions, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 263,636,364 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the 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 holder of ordinary securities in the entity) or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

3. RESOLUTION 3 – ISSUE OF SHARES UNDER CAPITAL RAISING

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

"That, subject to and conditional upon the passing of all Essential Resolutions, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 227,272,727 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the 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 holder of ordinary securities in the entity) or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE – OPTION FEE SHARES

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 22,727,273 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. RESOLUTION 5 – ELECTION OF DIRECTOR – GRANT DAVEY

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

“That, subject to and conditional on the passing of all Essential Resolutions, for the purpose of clause 11.3 of the Constitution and for all other purposes, Mr Grant Davey who, being eligible and having consented to act, be elected as an additional director of the Company on and from Settlement.”

6. RESOLUTION 6 – ELECTION OF DIRECTOR – PETER WILLIAMS

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

“That, subject to and conditional on the passing of all Essential Resolutions, for the purpose of clause 11.3 of the Constitution and for all other purposes, Mr Peter Williams who, being eligible and having consented to act, be elected as an additional director of the Company on and from Settlement.”

7. RESOLUTION 7– ADOPTION OF EMPLOYEE SHARE OPTION PLAN

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

“That, subject to and conditional on the passing of all Essential Resolutions, for the purposes of ASX Listing Rule 7.2 (Exception 9(b)) and for all other purposes, approval is given for the Company to adopt an employee incentive scheme titled ‘Employee Share Option Plan’ and for the issue of securities under that Plan, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of any Director except one who is ineligible to participate in any employee incentive scheme in relation to the Company, or any associates of those Directors. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or

- (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

8. RESOLUTION 8 – ISSUE OF INCENTIVE OPTIONS – PETER WILLIAMS

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, subject to and conditional on the passing of all Essential Resolutions, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 20,000,000 Incentive Options as incentive remuneration to proposed Director, Mr Peter Williams (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of any Director who is eligible to participate in the employee incentive scheme in respect of which the approval is sought, or any associates of those Directors (**Resolution 8 Excluded Party**). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, provided the Chair is not a Resolution 8 Excluded Party, 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.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 8 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

9. RESOLUTION 9 – CHANGE OF COMPANY NAME

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

“That, subject to and conditional upon the passing of all Essential Resolutions, for the purposes of section 157(1)(a) of the Corporations Act and for all other purposes, approval is given for the name of the Company to be changed to ‘Superior Lake Resources Limited’ with effect from Settlement.”

Dated: 5 January 2018

By order of the Board

Mr Keong Chan
Company Secretary

Voting in person

To vote in person, attend the Meeting at the time, date and 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.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9322 6009.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

All Resolutions are **Essential Resolutions**, as such the Essential Resolutions must be passed for the Acquisition to proceed. If any one of the Essential Resolutions are not approved at the Meeting, none of them will take effect and the Acquisition and other matters contemplated by this Notice will not be completed.

1. BACKGROUND

1.1 General Background and Current Activities

The Company was incorporated on 18 September 2009 and is currently listed on the ASX, having commenced quotation on 18 December 2009.

The principal activity of the Company is mineral exploration with a portfolio of gold and base metal assets in Western Australia. The Company currently has two key projects, namely the Lenora Project and the Mt Morley Project.

Lenora Project

The Company's main current project is the 100% owned Lenora Project (E39/1582). The Lenora Project is located in the Eastern Goldfields Province of the Archaean-aged Yilgarn Craton of Western Australia, and is prospective for nickel, cobalt and gold. As noted in the Company's latest Quarterly Activities Report dated 31 October 2017 (**Latest Quarterly Activities Report**), a five-year extension of terms for E39/1582 was lodged during the last quarter.

Mt Morley Project

Further, the Company has provisionally agreed to acquire the Mt Morley Project (E30/477) from a private vendor (**Vendor**) in consideration for:

- (a) a \$30,000 cash payment to be made using the Company's existing cash reserves; and
- (b) a 5% net smelter royalty on all gold produced from E30/477.

The Company and Vendor are currently negotiating a binding agreement in relation to the acquisition of the Mt Morley Project (**Mt Morley Agreement**). Upon execution of the Mt Morley Agreement the Company will immediately issue an announcement to ASX. The Mt Morley Project covers an area of 50km² located 45kms west-north-west of Menzies and 130km north of Kalgoorlie in Western Australia and is prospective for gold.

Together the Lenora Project and the Mt Morley Project will be referred to in this Notice as the **Existing Assets**.

1.2 Acquisition

Superior Mining Pty Ltd (ACN 623 056 566) (**Superior**) is a proprietary company and, at settlement of the Acquisition (**Settlement**), will be the legal and beneficial owner of 70% of the issued capital of Ophiolite Holdings Pty Ltd (ACN 617 182 966) (**Ophiolite**). The remaining 30% interest in the issued capital of Ophiolite, at

Settlement, will be held by five minority shareholders (**Minority Ophiolite Shareholders**).

Ophiolite is a proprietary exploration company and is the legal and beneficial owner of the zinc and copper prospective "Pick Lake Project", located in Ontario, Canada (**Project**). Further details of the Project are set out in 1.6 below. The Project consists of individual exploration claims (**Claims**) and all mining information relating to the Claims (**Mining Information**) as set out in Schedule 1.

As announced on 6 December 2017 the Company has entered into a binding terms sheet (**Option Agreement**) pursuant to which Superior has granted the Company an option (**Option**), which if exercised will enable the Company to acquire 100% of the issued capital in Superior (**Superior Shares**) (free from encumbrances), including Superior's 70% indirect interest in the Project, from the shareholders of Superior (**Superior Shareholders**) (**Acquisition**).

1.3 Option Agreement

A summary of the material terms of the Option Agreement is set out below:

- (a) **Option Fee:** In consideration for being granted the Option, the Company must pay the Superior Shareholders a fee of \$250,000 (**Option Fee**), which has been satisfied via the issue of 22,727,273 Shares at an issue price of \$0.011 per Share (**Option Fee Shares**);
- (b) **Conditions Precedent:** The Acquisition is conditional upon, amongst other things:
 - (i) completion of a capital raising by the Company to raise up to \$2,500,000 (before costs) through a placement of 227,272,727 Shares at an issue price of \$0.011 per Share to investors who fall within section 708 of the Corporations Act or otherwise do not require a disclosure document to be issued Shares (**Capital Raising**);
 - (ii) the Company obtaining all necessary shareholder approvals pursuant to the ASX Listing Rules, Corporations Act or any other law to allow the Company to lawfully complete the Acquisition including the issue of Shares under the Capital Raising, the issue of the Consideration Shares and approval of the Acquisition under ASX Listing Rule 11.1.2;
 - (iii) Ophiolite, the Company (or its nominee) and the Minority Ophiolite Shareholders' entering into the Ophiolite Shareholders Agreement (defined below); and
 - (iv) the Company and the Superior Shareholders being satisfied (acting reasonably) that no mandatory escrow restrictions will be placed on the Consideration Shares by ASX,(together the **Conditions Precedent**).
- (c) **Consideration:** subject to the valid exercise of the Option and satisfaction or waiver of the Conditions Precedent, in consideration of the Acquisition, the Company will issue to the Superior Shareholders (or their nominees) a total of 263,636,364 Shares at an issue price of \$0.011 per Share (**Consideration Shares**) at Settlement.
- (d) **Ophiolite Shareholders Agreement:**

- (i) Upon Settlement the Company will own 100% of the Superior Shares and will therefore hold:
 - (A) a 70% indirect interest in the issued capital of Ophiolite; and
 - (B) a 70% indirect interest in the Project.
- (ii) Accordingly, subject to Settlement, Ophiolite, the Company (or its nominee) and each of the Minority Ophiolite Shareholders agree to enter into a shareholders' agreement for formation of an incorporated joint venture for the proposed development of the Project (**Ophiolite Shareholders Agreement**) pursuant to which the Minority Ophiolite Shareholders' interest in 30% of the issued capital of Ophiolite (**Minority Interest**) will be free carried by the Company (or its nominee) until such time as a bankable feasibility study is completed by Ophiolite in relation to the Project (**BFS**).
- (iii) Following completion of the BFS, the Company (or its nominee) will have first right of refusal to acquire the Minority Interest from the Minority Ophiolite Shareholders, (which for the avoidance of doubt will result in the Company (either directly or indirectly) holding 100% of the issued capital of Ophiolite and therefore a 100% indirect interest in the Project).
- (iv) The consideration to be paid by the Company (or its nominee) for the acquisition of the Minority Interest will be determined via an independent valuation and will be payable via a cash payment and/or the issue of Shares (at the election of the Company).
- (e) **Reimbursement of Prior Expenditure:** At Settlement, the Company shall reimburse the Superior Shareholders' nominee for A\$500,000 of expenditure already incurred by Ophiolite on the Project prior to the date of the Option Agreement, subject to the provision of evidence of such expenditure to the Company's satisfaction (acting reasonably).
- (f) **Interim Funding Obligations:** From the date of the Option Agreement up until Settlement, the Company agrees to fund and/or reimburse Ophiolite in connection with reasonable expenditure incurred and necessary to maintain the Claims, up to a maximum of \$100,000. Ophiolite will obtain the Company's prior written consent for any individual expenditure over \$50,000.
- (g) **Board Composition:** Upon Settlement, the Company agrees to appoint as additional Directors two (2) persons nominated by Superior (being Messrs Grant Davey and Peter Williams (**Proposed Directors**)) and provide the written resignation of two (2) existing Directors agreed between the Company and Superior (if any), with effect from no later than Settlement.
- (h) **End Date / Best Endeavours:** If the Conditions Precedent are not satisfied (or waived) (or become incapable of being satisfied and are not waived) on or before 5:00pm (Perth time) on 28 February 2018 (**End Date**), then either the Company or Superior may terminate the Option Agreement by written notice to the other parties.

1.4 Summary of the Resolutions

A summary of the Resolutions is as follows:

- (a) ASX has indicated to the Company that the change in nature and scale of the Company's activities as a result of the Acquisition requires the Company to obtain Shareholder approval in accordance with ASX Listing Rule 11.1.2 (*Resolution 1*);
- (b) the issue of 263,636,364 Consideration Shares to the Superior Shareholders in consideration for the Acquisition (*Resolution 2*);
- (c) the issue of 227,272,727 Shares under the Capital Raising (*Resolution 3*);
- (d) ratification of the prior issue of the 22,727,273 Option Fee Shares (*Resolution 4*);
- (e) election of Mr Grant Davey as Director of the Company on and from Settlement (*Resolution 5*);
- (f) election of Mr Peter Williams as Director of the Company on and from Settlement (*Resolution 6*);
- (g) adoption of an employee incentive scheme titled 'Employee Share Option Plan' on the terms and conditions set out in Schedule 3 (**Plan**) and for the issue of securities under the Plan (*Resolution 7*);
- (h) the issue of 20,000,000 Incentive Options under the Plan to Proposed Director, Mr Peter Williams (or his nominee) (*Resolution 8*); and
- (i) change of the Company's name to 'Superior Lake Resources Limited' with effect from Settlement (*Resolution 9*).

1.5 Directors' recommendation and voting intention

All of the Directors are of the opinion that the Acquisition is in the best interests of Shareholders and, accordingly, the Directors unanimously recommend that Shareholders vote in favour of the Essential Resolutions. The Directors' recommendations are based on the reasons outlined in Section 1.13.

Each of the Directors intends to vote all of their Shares in favour of each of the Resolutions in which they are entitled to vote.

1.6 The Pick Lake Project

Pick Lake is located approximately 200km east of the city of Thunder Bay. The city has a long history of supporting mining operations in the district with a skilled workforce of mining professionals. Thunder Bay acts as a regional centre for exploration companies operating in northern Ontario. A number of large mining companies operate out of Thunder Bay with active exploration programs looking for predominantly gold and diamonds. The Project lies within the Winston Lake Greenstone Belt which hosts the highest grade zinc deposits in Canada.

The reference to tonnes and grade of the Pick Lake Zinc Project in this Notice is historical in nature and not reported in accordance with the JORC Code 2012. A competent person has not done sufficient work to classify the historical estimates as mineral resources or ore reserves in accordance with the JORC Code 2012. It is uncertain that following evaluation and/or further exploration work that the historical estimates will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code 2012. Refer to Appendix 1 of the Company's ASX Announcement dated 6 December 2017 for further details (**Initial Market Announcement**). The Company confirms that it is not in possession of any new

information or data relating to the historical estimates that materially impacts the reliability of the estimates or the Company's ability to verify the historical estimates previously stated in the Initial Market Announcement. The Company confirms that the information provided in the Initial Market Announcement continues to apply and has not materially changed.

The Pick Lake Project was most recently reported in an NI43-101 Technical Report dated 19 June 2013 by InnovExplo Consulting Firm for Silvore Fox Minerals Corporation and is accessible via the SEDAR filings website. Nothing has come to the attention of the Company that causes it to question the accuracy or reliability of the historical exploration results obtained for the Pick Lake Project, but the Company has not independently validated the historical exploration results and therefore is not to be regarded as reporting, adopting or endorsing those results.

1.6.1 Project History

Pick Lake was discovered by Corporation Falconbridge Copper in 1984 with a single diamond drill hole from surface. This single drill hole was targeted to follow up on the down dip extension of a surface base metal occurrence at the Anderson showing.

The Anderson showing, claim staked by Falconbridge in August 1979, was the surface mineralisation that had initially encouraged Falconbridge to explore in the district. Following two summer seasons of geological mapping, sampling and geophysical surveys, a 5 hole drill program discovered the Winston Lake deposit in 1983. The discovery of 2 deposits based on an integrated exploration program was rightly considered to be highly successful.

The discovery of these two deposits in the early 1980s, were the first in the district since the discovery of the Geco deposit (**58.4 Mt @ 3.45% Zn, 1.86% Cu, 0.15% Pb, 50g/t Ag**) by Noranda in 1954, located 110km east of Pick Lake near Manitouwadge.

In the last 20 years, predominantly low zinc prices and the global financial crisis has hindered the exploration for zinc-rich systems in this district, with exploration focussed on gold potential around the nearby Hemlo gold deposit near Marathon.

The Project area encircles the Winston Lake Project held by First Quantum Minerals Limited, a Canadian TSX listed company. The Winston Lake Project is a legacy mining operation where production ceased in December 1998 due to the poor zinc price at the time of approximately US\$0.42/lb, with two mined out deposits; Winston Lake and Zenith. When mining ceased both Winston Lake and Pick Lake mines were owned by Inmet Limited. The recent increase in the price of zinc has reignited interest in this past producing district in northern Ontario.

The Pick Lake deposit was under development with all underground development work complete when the Winston Lake mining operation ceased due to low zinc prices. Processing of Pick Lake ore was dependent on the continued operation of Winston Lake.

1.6.2 Regional Geology

The Pick Lake deposit occurs at the extreme western edge of the Winston-Big Duck Lake sequence of volcanic rocks, approximately 35 metres above a granitic contact.

Aeromagnetics within the Project area depicts a distinctive V shaped sequence of magnetic and non-magnetic units converging to a northern "V" apex and appears remarkably similar to the aeromagnetic character of the older Archean Warriedar Fold Belt in Western Australia which hosts the Golden Grove deposits.

The Pick Lake deposit occurs as a large sheet like zone of massive sulphides within a series of bedded pyroclastic rocks. An internal estimate of **1.46Mt @ 15.06% Zn, 0.84% Cu, 36.8g/t Ag and 0.49g/t Au** was calculated by Inmet geologists using inhouse geostatistical and modelling software. A number of assumptions on expected dilution were also included in the estimate to account for mining narrow ore widths and inclusion of variable hanging wall gangue rock based on the degree of hanging wall alteration. Detailed information on this historic resource is currently being compiled from public records. Hydrothermal alteration exists in both footwall and hangingwall rocks resulting in varying assemblages of quartz, cordierite, biotite, anthophyllite, garnet, chlorite and sericite with minor disseminated sulphides. The hydrothermal alteration zone appears to be spatially related to the Winston Lake deposit; recent structural mapping provides evidence that Pick Lake and Winston Lake are hosted within the same stratigraphic horizon.

The Anderson showing, located near the southeast shore of Winston Lake, appears to be the surface expression of the Pick Lake deposit. This is a rusty pyritic weakly altered series of bimodal volcanics. Massive sulphides of the Pick Lake deposit occur from approximately 300m to 1200m vertically and over a strike length averaging 250 metres. The lower portion of the deposit appears to increase in strike length to approximately 500 metres. The deposit strikes at 20 degrees and dips to the east at 50 degrees. The thickness of the deposit is generally between 2 and 4m, however, locally it is up to 14 metres in width.

Sulphide mineralisation is generally very consistent, composed of a fine grained mixture of sphalerite (50-80%) and pyrrhotite (5-35%) with minor chalcopyrite (0-5%) and pyrite (0-3%). Commonly contained within the sulphides is up to 5% transparent rounded quartz inclusions up to 3mm in size as well as rare (1-3%) sub-rounded biotitic volcanic inclusions. The contacts to the deposit are typically knife sharp and commonly show the presence of minor amounts of silica.

Based on diamond drilling results, as well as very limited underground exposures, the Pick Lake deposit appears to have been metamorphosed to amphibolite facies with temperatures high enough to recrystallise sulphides in-situ. Drill hole WL-67 intersected a very anomalous thickness of 13.4 metres of massive sulphides in the central lower portion of the deposit. This hole showed coarse grained, volcanic inclusion-rich, sulphides more typical of the Winston Lake deposit. This intersection also showed very little of the clear rounded quartz inclusions which are so common elsewhere throughout the deposit. It is believed that this represents an area where primary exhalative or replacement sulphides were formed. Tectonic bedding-parallel flattening, so prevalent throughout the stratigraphy, may have forced the sulphides out from this original location along a stratigraphic horizon to form the sheet-like zone.

This physical squeezing would result in the homogeneous mix of sulphides, as well as the rounding of inclusions that is so commonly seen.

Limited amounts of retained footwall rocks, due to the replacement of the granites to the west, leaves little stratigraphy to conduct alteration distribution studies. It does appear however, that hydrothermal alteration is slightly more intense in the area of the thick primary sulphides.

The pyroclastic host horizon between Pick Lake and Winston Lake remains prospective for additional occurrences of massive sulphides and appears to form a recognisable marker horizon along which to target. Recent surface structural mapping in October 2017 will assist in constraining this prospective pyroclastic ore hosting stratigraphy not only between the Pick Lake and Winston lake deposits but also further north and south of these deposits. East-West geological interpretive cross sections are being created to help with future targeting.

As described above, a single drill hole targeted by Falconbridge geologists in 1983 intersected the Pick Lake deposit. Further drilling from surface and additional underground drilling resolved three mineralised zones, the upper, middle and lower zones. Given the new structural interpretation which has helped explain the post ore forming deformation history and the availability of modern geophysical techniques, it is expected that targeting for nearby mineralisation will now be easier than historical efforts. In particular, a previous small 2D seismic survey undertaken in May 1994 over the Pick Lake deposit clearly identified the mineralisation, it is expected that a more detailed and extensive 3D seismic survey will similarly directly detect massive sulphide mineralisation.

1.7 The Capital Raising

As stated above, pursuant to the Option Agreement the Company will undertake the Capital Raising.

The monies raised from the Capital Raising will be used to deliver on the Company's stated objectives of advancing the Project. It is envisioned that the available funds will be applied by the Company over the next 12 months as follows:

Item	Amount (\$)
Cash as at 18 December 2017	440,000
Current outstanding creditors	(30,000)
SUB-TOTAL	410,000
Capital Raising	2,500,000
TOTAL	2,910,000
Use of funds	
Estimated costs of the Acquisition and Capital Raising	150,000
Expenditure on Project ¹	1,700,000
Expenditure on Existing Assets ²	400,000
Corporate administration	200,000
Working Capital	460,000
TOTAL	2,910,000

Notes:

1. Approximately \$500,000 will be allocated towards to repayment of prior expenditure in accordance with the Terms of the Option Agreement, approximately \$100,000 will be allocated towards the assessment of all geological and engineering information, approximately \$300,000 will be allocated towards geological and modern geophysics program and approximately \$800,000 will be allocated towards an initial feasibility and engineering study.
2. Approximately \$150,000 will be allocated towards completing data interpretation of geophysical data, approximately \$50,000 will be allocated towards regional and local historical geological data review, \$25,000 will be allocated towards two file reconnaissance, \$150,000 will be allocated towards reconnaissance drilling and \$25,000 will be allocated towards tenement management and maintenance.

The above table of expenditure is a statement of current intentions as at the date of this Notice. Intervening events (such as exploration success or failure) may alter the way funds are ultimately applied by the Company.

1.8 Material Contracts

Other than the Option Agreement set out in Section 1.3 above, the Company is not a party to any other material contracts.

1.9 Effect on Capital Structure

The indicative effect of the Acquisition and the Capital Raising on the capital structure of the Company will be as follows:

Capital Structure	Shares	Options
Current ¹	231,685,243	Nil.
Consideration Shares (<i>Resolution 2</i>)	263,636,364	Nil.
Capital Raising (<i>Resolution 3</i>)	227,272,727	Nil.
Incentive Options (<i>Resolution 8</i>)	Nil.	20,000,000 ²
TOTAL	722,594,334	20,000,000

Notes:

1. Figure includes the 22,727,273 Option Fee Shares issued to the Superior Shareholders on 12 December 2017 in accordance with the terms of the Option Agreement. The Company is seeking ratification of the Options Fee Shares pursuant to Resolution 4.
2. The Company is seeking Shareholder approval for the issue of 20,000,000 Incentive Options to Proposed Director, Peter Williams pursuant to Resolution 8. Upon Settlement, the Company intends to issue an additional 30,000,000 ESOP Options to eligible participants under the Plan who are not related parties of the Company.

1.10 Pro Forma Statement of Financial Position

Set out in Schedule 2 is a pro forma balance sheet of the Company assuming that all Essential Resolutions have been passed and the Acquisition is complete.

The historical and pro-forma information is unaudited and unreviewed, and is presented in an abbreviated form, insofar as it does not include all of the disclosure required by the Australian Accounting Standards applicable to annual financial statements.

1.11 Indicative timetable

An indicative timetable for Settlement of the Acquisition and the associated transactions is set out below:

Item	DATE
Announcement of Project Acquisition and Grant of Option	6 December 2017
Payment of Option Fee	11 December 2017
Exercise of Option and completion of Due Diligence	18 December 2017
Despatch of Notice of Meeting	5 January 2018
General Meeting	6 February 2018
Issue of Consideration Shares and Shares under the Capital Raising Lodge Appendix 3B	13 February 2018

1.12 Board Intention upon completion of the Acquisition

In the event that the Essential Resolutions are approved by Shareholders and upon completion of the Acquisition, the funds raised from the Capital Raising, together with the Company's existing cash reserves will be used to continue the Company's operations, which will include:

- (a) expenditure on both the Company's Existing Assets and the Project as set out in Sections 1.7 of this Notice;
- (b) pay the costs associated with the Acquisition and the Capital Raising; and
- (c) contribute to the administration and working capital of the Company.

1.13 Composition of the Board of Directors

It is intended that the Board will comprise the following upon Settlement:

- (a) Mr Keong Chan;
- (b) Mr Chuanshui Yin;
- (c) Mr Grant Davey; and
- (d) Mr Peter Williams.

It is currently intended that Mr Yunde Li will retire upon Settlement. Additional Board and management resources may be considered appropriate as the Company develops.

The qualifications and experience of Messrs Grant Davey and Peter Williams are set out below.

Grant Davey Executive Director

Mr Davey is a mining engineer with over 18 years of deep level mining experience. He has been involved in producing as well as the development of mining projects throughout Africa and Australia. He is a major shareholder of the Honeymoon Uranium project in South Australia and a director of Australian listed companies Cradle Resources Limited (ASX: CXX) and Boss Resources Limited (ASX: BOE).

Peter Williams Non-Executive Director

Mr Williams was formerly Chief Geophysicist and Manager of Geoscience Technology for WMC Resources. He was one of the founding members of Independence Group Limited and developed high powered 3 component 3D TEM applications that lead to the discovery of over 75,000t of nickel at the Victor Long Nickel Mine in Kambalda. Mr Williams also has extensive experience in West Africa where he was the vendor of Gryphon Minerals' Banfora Gold Project (now Teranga Gold Corporation), was involved in the project generation of Papillion's Mali projects and was a founding director of Ampella Mining Ltd. He was a co-founder of the International Resource Sector Intelligence company, Intierra and was a co-founder of the first dedicated hard rock mineral seismic company in the world, HiSeis. Mr Williams is currently a non-executive director of Boss Resources Ltd (ASX: BOE).

1.14 Advantages of the proposals in the Essential Resolutions

The Directors are of the view that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision on how to vote on the Essential Resolutions:

- (a) In situ historic mineralisation of 1.46Mt @ 15.06% Zn, 0.84% Cu, 36.8g/t Ag and 0.49g/t Au remaining, hosted in a sequence of volcanic rocks prospective for high grade zinc mineralisation;
- (b) Portfolio of exploration ground (>17,000 Ha) acquired in the district with similar aeromagnetic signatures as Pick Lake to capture zinc exploration opportunities;
- (c) the Project is located in Canada, a jurisdiction with a good track record for mining investment;
- (d) the Project encompasses established mining infrastructure with road and power to site as well as underground development and past production;
- (e) the Project is prospective for zinc mineralisation which compliments the Company's Existing Projects; and
- (f) the potential increase in market capitalisation of the Company following completion of the Acquisition and the Capital Raising may lead to increased coverage from investment analysts, access to improved equity capital market opportunities and increased liquidity which are not currently present.

1.15 Disadvantages of the proposals in the Essential Resolutions

The Directors are of the view that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision on how to vote on the Essential Resolutions:

- (a) current Shareholders will have their interest in the Company significantly diluted by the Acquisition and Capital Raising and any further equity raising undertaken by the Company (see further detail in Section 1.16.1(a) below);
- (b) future outlays of funds from the Company may be required to further the exploration and development activities on the Claims, which could lead to future potential dilution of current Shareholders voting power;
- (c) there is no guarantee that the Project will prove to be economically viable for the Company;
- (d) there is no guarantee that the price of Shares will not fall as a result of the Acquisition; and
- (e) current Shareholders will be exposed to additional risks associated with the Project as set out in section 1.16 below.

1.16 Risk Factors

Shareholders should be aware that if the Acquisition is approved and completed, the Company will be changing the nature and scale of its activities and will be subject to additional risks arising from the change in nature of the Company. The risks and uncertainties described below are not intended to be exhaustive. There may be

additional risks and uncertainties that the Company is unaware of or that the Company currently considers to be immaterial, which may affect the Company. Based on the information available, a non-exhaustive list of risk factors for the Company associated with the proposed Acquisition is set out below.

1.16.1 Risks relating to the change in nature and scale of activities

(a) Dilution Risk

On completion of the Acquisition and all issues of Shares contemplated by this Notice (assuming no Options are exercised), existing Shareholders will be significantly diluted. In this scenario, existing Shareholders will retain approximately 32.06% of the issued capital of the Company, with the Superior Shareholders holding 36.49% of the Shares on issue and new investors under the Capital Raising holding 31.45% of the Shares on issue.

There is also a risk that the interests of Shareholders will be further diluted as a result of future capital raisings required in order to fund the development of the Project.

(b) Tenure, access and grant of applications

The Claims are subject to the applicable mining acts and regulations in Ontario, Canada. The renewal of the term of a granted Claims is also subject to the discretion of the relevant Canadian mining authority. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the Claims comprising the Project. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

The Company considers the likelihood of tenure forfeiture to be low given the laws and regulations governing exploration in Ontario, Canada and the ongoing expenditure budgeted for by the Company.

However the consequence of forfeiture or involuntary surrender of the Claims for reasons beyond the control of the Company could be significant.

1.16.2 Industry Specific Risks

(a) Exploration

The Claims which the Company proposes to acquire are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.

There can be no assurance that exploration of the Claims, or any other claims that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its claims and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Claims, a reduction in the case reserves of the Company and possible relinquishment of the Claims.

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

(b) **Zinc Market**

Changes in the market price of zinc, which in the past have fluctuated widely, will affect the profitability of the Company's operations and its financial condition in the future, if and when the Company enters production. The Company's revenues, profitability and viability would depend on the market price of zinc produced from the Project. The market price of zinc is set in the world market and is affected by numerous industry factors beyond the Company's control including the demand, expectations with respect to the rate of inflation, interest rates, currency exchange rates, the demand for industrial products containing metals, zinc production levels, inventories, cost of substitutes, changes in global or regional investment or consumption patterns, and sales by central banks and other holders, speculators and procedures of zinc and other metals in response to any of the above factors, and global and regional political and economic factors.

Should the Company eventually enter a production phase, a decline in the market price of zinc below the Company's production costs for any sustained period would have a material adverse impact on the profit, cash flow and results of operations of the Project and anticipated future operations. Such a decline also could have a material adverse impact on the ability of the Company to finance the exploration and development of its existing and future mineral projects.

(c) **Failure to satisfy Expenditure Commitments**

Interests in tenements in Western Australia and claims in Ontario, Canada are governed by the mining acts and regulations that are current in those states and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in the Claims and the Existing Assets if licence conditions are not met or if insufficient funds are available to meet expenditure commitments.

(d) **Resource Estimates**

No JORC Code compliant mineral resources have been defined in respect of the Claims in which the Company is proposing to acquire. In the event a resource is delineated this would be an estimate only. An estimate is an expression of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In

addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations.

(e) **Mine development**

Possible future development of mining operations at the Project is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.

If the Company commences production on the Project, its operations may be disrupted by a variety of risks and hazards which are beyond the control of the Company. No assurance can be given that the Company will achieve commercial viability through the development of the Project.

The risks associated with the development of a mine will be considered in full should the Project reach that stage and will be managed with ongoing consideration of stakeholder interests.

(f) **Environmental**

The operations and proposed activities of the Company are subject to state and federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.

Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.

(g) **Native title and Aboriginal Heritage**

In relation to tenements/ claims which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Indigenous Australians and Indigenous Canadians exist. If native title rights do exist, the ability of the Company to gain access to tenements/ claims (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected.

The Directors will closely monitor the potential effect of native title claims involving tenements/ claims in which the Company has or may have an interest.

1.16.3 General Risks

(a) **Commodity price volatility and exchange rate risks**

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

(b) **Competition risk**

The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.

(c) **Economic**

General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

(d) **Force Majeure**

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil

disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

(e) **Government policy changes**

Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in Western Australia and Ontario, Canada may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.

(f) **Litigation Risks**

The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.

(g) **Regulatory Risks**

The Company's exploration and development activities are subject to extensive laws and regulations relating to numerous matters including resource licence consent, conditions including environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. The Company requires permits from regulatory authorities to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities.

Obtaining necessary permits can be a time-consuming process and there is a risk that Company will not obtain these permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of the Tenements.

(h) **Market conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) General economic outlook.
- (ii) Introduction of tax reform or other new legislation.
- (iii) Interest rates and inflation rates.

- (iv) Changes in investor sentiment toward particular market sectors.
- (v) The demand for, and supply of, capital.
- (vi) Terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

Securities listed on the stock market, and in particular securities of exploration companies experience extreme price and volume fluctuations that have often been unrelated to the operating performance of such companies. These factors may materially affect the market price of the Shares regardless of the Company's performance.

(i) **Additional requirements for capital**

The Company's capital requirements depend on numerous factors. The Company may require further financing in addition to amounts raised under the Capital Raising. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(j) **Reliance on key personnel**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

(k) **Agents and Contractors**

The Directors are unable to predict the risk of the insolvency or managerial failure by any of the contractors used (or to be used in the future) by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used (or to be used in the future) by the Company for any activity.

1.16.4 Investment speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares.

1.17 Plans for the Company if Resolutions not passed

If the Essential Resolutions are not passed and the Acquisition does not occur, the Company will continue its exploration activities on the Existing Assets and continue

considering new potential business acquisitions to take the Company forward and provide value to Shareholders.

1.18 Directors Interests in the Acquisition

None of the Company's existing Directors have any interest in the proposed Acquisition, other than as disclosed in this Notice.

1.19 Superior Shareholders

The Superior Shareholders are not a related parties or substantial holders of the Company. The Superior Shareholders have an existing interest in 22,727,273 of the Company's Shares.

1.20 Conditionality of Essential Resolutions

All Resolutions are Essential Resolution and are conditional upon the approval by Shareholders of all other Essential Resolutions. Should any of the Essential Resolutions not be approved, the Company will not proceed with the Acquisition.

2. RESOLUTION 1 – CHANGE TO NATURE AND SCALE OF ACTIVITIES

2.1 General

Resolution 1 seeks approval from Shareholders for the Acquisition.

The Acquisition, if completed, will result in the Company acquiring 100% of the issued share capital of Superior. At Settlement, Superior will be the legal and beneficial owner of 70% of the issued capital of Ophiolite, which is in turn the legal and beneficial owner of the Project as outlined in section 1.2 above.

Further, following completion of the BFS, the Company (or its nominee) will have first right of refusal to acquire the Minority Interest from the Minority Ophiolite Shareholders, (which for the avoidance of doubt will result in the Company (either directly or indirectly) holding 100% of the issued capital of Ophiolite and therefore a 100% indirect interest in the Project).

A summary of the terms and conditions of the Option Agreement is set out in Section 1.3, a detailed description of the Project is set out 1.6 and a non-exhaustive list of risk factors for the Company associated with the proposed Acquisition is set out in section 1.16 above.

2.2 ASX Listing Rule 11.1

ASX Listing Rule 11.1 provides that where an entity proposes to make a significant change, either directly or indirectly, to the nature or scale of its activities, it must provide full details to ASX as soon as practicable (and before making the change) and comply with the following:

- (a) provide to ASX information regarding the change and its effect on future potential earnings, and any information that ASX asks for;
- (b) if ASX requires, obtain the approval of holders of its shares and comply with any requirements of ASX in relation to the notice of meeting; and
- (c) if ASX requires, meet the requirements of Chapters 1 and 2 of the ASX Listing Rules as if the entity were applying for admission to the official list of ASX.

ASX has indicated to the Company that the change in nature and scale of the Company's activities as a result of the Acquisition requires the Company in accordance with ASX Listing Rule 11.1.2 to obtain Shareholder approval and must comply with any requirements of ASX in relation to the Notice of Meeting.

ASX has also indicated to the Company that the change in the nature and scale of the Company's activities as a result of the Acquisition does not require the Company to re-comply with the admission requirements set out in Chapters 1 and 2 of the ASX Listing Rules in accordance with ASX Listing Rule 11.1.3.

Resolution 1 therefore seeks Shareholder approval pursuant to ASX Listing Rule 11.1.2 for the change in nature and scale of the Company which will occur as a result of the Acquisition.

3. RESOLUTION 2 – ISSUE OF CONSIDERATION SHARES

3.1 General

Resolution 2 seeks Shareholder approval for the issue of the 263,636,364 Consideration Shares to the Superior Shareholders pursuant to ASX Listing Rule 7.1.

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

The effect of this Resolution will be to allow the Company to issue the Consideration 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.

3.2 Technical information required by ASX Listing Rule 7.1

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

- (a) 263,636,364 Consideration Shares will be issued;
- (b) the Consideration Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Consideration Shares will occur on the same date;
- (c) the Consideration Shares will be issued for nil cash consideration as consideration for the Acquisition;
- (d) the Consideration Shares will be issued to the Superior Shareholders, in accordance with the terms of the Option Agreement, none of whom are a related party of the Company;
- (e) the Consideration Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) no funds will be raised from the issue, as the Consideration Shares will be issued in consideration for the Acquisition.

4. RESOLUTION 3 – ISSUE OF SHARES UNDER THE CAPITAL RAISING

4.1 General

Resolution 3 seeks Shareholder approval for the issue of 227,272,727 Shares under the Capital Raising at an issue price of \$0.011 per Share to raise \$2,500,000.

The Capital Raising will be made to investors who fall within section 708 of the Corporations Act or otherwise do not require a disclosure document to be issued Shares.

A summary of ASX Listing Rule 7.1 is set out in Section 3.1 above.

The effect of this Resolution will be to allow the Company to issue the Shares pursuant to the Capital Raising during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

4.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Capital Raising:

- (a) 227,272,727 Shares will be issued;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (c) the issue price will be \$0.011 per Share;
- (d) the Shares will be issued to investors who fall within section 708 of the Corporations Act or otherwise do not require a disclosure document to be issued Shares, none of whom are related parties of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) the Company intends to use the funds raised from the Capital Raising as set out in Section 1.7 of this Explanatory Memorandum.

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE – OPTION FEE SHARES

5.1 General

On 12 December 2017, the Company issued the 22,727,273 Option Fee Shares to the Superior Shareholders in accordance with the terms of the Option Agreement.

Resolution 4 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Option Fee Shares (**Ratification**).

A summary of ASX Listing Rule 7.1 is set out in Section 3.1 above.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach

ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

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

5.2 Technical information required by ASX Listing Rule 7.4

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

- (a) 22,727,273 Option Fee Shares were issued;
- (b) the Option Fee Shares were issued for nil cash consideration as part consideration for the Acquisition;
- (c) the Option Fee Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Option Fee Shares were issued to the Superior Shareholders, in accordance with the terms of the Option Agreement, none of whom are related parties of the Company; and
- (e) no funds will be raised from the issue, as the Option Fee Shares were issued in part consideration for the Acquisition.

6. RESOLUTION 5 – ELECTION OF DIRECTOR – GRANT DAVEY

6.1 General

In accordance with clause 11.3 of the Constitution, the Company may elect a person as a director by resolution passed at a general meeting.

Pursuant to the terms of the Option Agreement, the Company has agreed to appoint as additional Directors two (2) persons nominated by Superior, being Messrs Grant Davey and Peter Williams, with effect from no later than Settlement.

For Mr Davey to be eligible for election, the Board will leave at the Company's registered office at least 28 days before the Meeting, a written notice signed by Mr Davey consenting to his nomination and signifying his candidature for the office.

Pursuant to Resolution 5, Mr Grant Davey seeks election from Shareholders to be appointed as a director of the Company upon Settlement.

6.2 Qualifications and other material directorships

The qualifications and experience of Mr Davey is set out in Section 1.13.

Mr Davey is currently an executive director of Cradle Resources Limited (ASX: CXX) and a non-executive director of Boss Resources Limited (ASX: BOE).

6.3 Independence

If elected, the Board considers that Mr Davey will not be an independent director.

6.4 Board Recommendation

The Board supports the election of Mr Davey and recommends that Shareholders vote in favour of Resolution 5.

Resolution 5 is subject to the passing of all other Essential Resolutions.

7. RESOLUTION 6 – ELECTION OF DIRECTOR – PETER WILLIAMS

7.1 General

In accordance with clause 11.3 of the Constitution, the Company may elect a person as a director by resolution passed at a general meeting.

Pursuant to the terms of the Option Agreement, the Company has agreed to appoint as additional Directors two (2) persons nominated by Superior, being Messrs Grant Davey and Peter Williams, with effect from no later than Settlement.

For Mr Williams to be eligible for election, the Board will leave at the Company's registered office at least 28 days before the Meeting, a written notice signed by Mr Williams consenting to his nomination and signifying his candidature for the office.

Pursuant to Resolution 6, Mr Peter Williams seeks election from Shareholders to be appointed as a director of the Company upon Settlement.

7.2 Qualifications and other material directorships

The qualifications and experience of Mr Williams is set out in Section 1.13.

Mr Williams is currently non-executive director of Boss Resources Ltd (ASX: BOE).

7.3 Independence

If elected, the Board considers that Mr Williams will be an independent director.

7.4 Board Recommendation

The Board supports the election of Mr Williams and recommends that Shareholders vote in favour of Resolution 6.

Resolution 6 is subject to the passing of all other Essential Resolutions.

8. RESOLUTION 7 – APPROVAL OF EMPLOYEE SHARE PLAN

Resolution 7 seeks Shareholders approval for the adoption of the employee incentive scheme titled 'Employee Share Option Plan' (**Plan**) in accordance with ASX Listing Rule 7.2 (Exception 9(b)).

A summary of ASX Listing Rule 7.1 is set out in Section 3.1 above.

ASX Listing Rule 7.2 (Exception 9(b)) sets out an exception to ASX Listing Rule 7.1 which provides that issues under an employee incentive scheme are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the scheme as an exception to ASX Listing Rule 7.1.

If Resolution 7 is passed, the Company will be able to issue Options under the Plan to eligible participants over a period of 3 years without impacting on the Company's

ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period.

Shareholders should note that no Options have previously been issued under the Plan.

The objective of the Plan is to attract, motivate and retain key employees and it is considered by the Company that the adoption of the Plan and the future issue of Options under the Plan will provide selected employees with the opportunity to participate in the future growth of the Company.

Any future issues of Options under the Plan to a related party or a person whose relationship with the company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time. For this reason, the Company is also seeking approval under Resolution 8 for the issue of Incentive Options under the plan to Proposed Director, Mr Peter Williams who, pursuant to Resolution 6, seeks election from Shareholders to be appointed as a director of the Company upon Settlement.

A summary of the key terms and conditions of the Plan is set out in Schedule 3. In addition, a copy of the Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Plan can also be sent to Shareholders upon request to the Company Secretary, Mr Keong Chan. Shareholders are invited to contact the Company if they have any queries or concerns.

9. RESOLUTION 8 – ISSUE OF INCENTIVE OPTIONS – PETER WILLIAMS

9.1 General

The Company has agreed, subject to obtaining Shareholder approval and to the adoption of the Plan (approval which is being sought pursuant to Resolution 7), to issue 20,000,000 Incentive Options to Proposed Director, Mr Peter Williams on the terms and conditions set out below.

Resolution 8 seeks Shareholder approval for the issue of the Incentive Options to Mr Williams (or his nominee).

9.2 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of Incentive Options constitutes giving a financial benefit and Mr Williams is a related party of the Company by virtue of being a Proposed Director.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Incentive Options because the agreement to issue the Incentive Options, reached as part of the remuneration

package for Mr Williams, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

9.3 ASX Listing Rule 10.14

ASX Listing Rule 10.14 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of the director, or a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that approval should be obtained.

As issue of Incentive Options constitutes giving a financial benefit and Mr Williams is a related party of the Company by virtue of being a Proposed Director, Shareholder approval pursuant to ASX Listing Rule 10.14 is required.

9.4 Technical Information required by ASX Listing Rule 10.15

Pursuant to and in accordance with ASX Listing Rule 10.15, the following information is provided in relation to the proposed issue of Incentive Options to Mr Williams:

- (a) the Incentive Options are to be issued Mr Peter Williams, a related party of the Company by virtue of being a Proposed Director;
- (b) a maximum 20,000,000 Incentive Options will be issued to Mr Williams (or his nominee);
- (c) the Incentive Options will be issued for nil consideration as they are being issued as part of the remuneration package for Mr Williams, accordingly no funds will be raised from the issue;
- (d) no Options have previously been issued under the Plan nor has the Plan previously been adopted by Shareholders;
- (e) all Directors are entitled to participate in the Plan, however, at the current time the Company does not intend to make an offer to Mr Keong Chan, Mr Chuanshui Yin or Mr Yunde Li. Accordingly, approval is being sought only for the issue of Incentive Options to proposed Director, Mr Williams;
- (f) the Incentive Options will be issued to Mr Williams no later than 12 months after the date of the Meeting (or such later date as permitted by any ASX waiver of modification of the ASX Listing Rules) and it is anticipated that the Incentive Option will be issued upon Settlement; and
- (g) the Incentive Option will be issued on the terms and conditions set out in Schedule 4.

10. RESOLUTION 9 – CHANGE OF COMPANY NAME

Section 157(1)(a) of the Corporations Act provides that a company may change its name if the company passes a special resolution adopting a new name.

Resolution 9 seeks the approval of Shareholders for the Company to change its name to 'Superior Lake Resources Limited'. The Board proposes this change of name on the basis that it more accurately reflects the proposed operations of the Company upon Settlement.

If Resolution 9 is passed the change of name will take effect after ASIC alters the details of the Company's registration. It is noted the change of name is conditional

on Settlement.

If Resolution 9 is passed, the Company will lodge a copy of the special resolution with ASIC following Settlement in order to effect the change.

Resolution 9 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 9 for it to be passed.

GLOSSARY

\$ means Australian dollars.

Acquisition means the acquisition by the Company of 100% of the issue capital of Superior, from the Superior Shareholders, pursuant to the terms of Option Agreement.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Claims means each individual exploration claim set out in Schedule 1 which together comprise the Project.

Company means Ishine International Resources Limited (ACN 139 522 553) (to be renamed 'Superior Lake Resources Limited').

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Essential Resolutions means Resolutions 1, 2, 3, 4, 5, 6, 7, 8 and 9.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Incentive Option means an Option issued under the Plan on the terms and conditions set out in Schedule 4.

Mining Information means all mining information relating to the Claims set out in Schedule 1.

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

Ophiolite means Ophiolite Holdings Pty Ltd (ACN 617 182 966).

Option means an option to acquire a Share.

Plan means the employee incentive scheme titled 'Employee Share Option Plan' on the terms and conditions set out in Schedule 3 to be adopted by the Company subject to receipt of Shareholder approval being sought under Resolution 7.

Project means the zinc and copper prospective "Pick Lake Project", located in Ontario, Canada, further details of which are set out in Section 1.6.

Proxy Form means the proxy form accompanying the Notice.

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

Section means a section of the Explanatory Statement.

Settlement means settlement of the Acquisition.

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

Shareholder means a registered holder of a Share.

Superior means Superior Mining Pty Ltd (ACN 623 056 566).

Superior Shareholders means the shareholders of Superior.

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

SCHEDULE 1 – PROJECT DETAILS

- (a) At Settlement, the Superior will be the legal and beneficial owner of 70% of the issued capital of Ophiolite.
- (b) Ophiolite is a proprietary exploration company and is the legal and beneficial owner of the Project.
- (c) The Project consists of each individual claim are set out in the table below:

Claim Number	Grant/ Application Date	Expiry Date	Status	Size (ha)	Province	Registered Holder	Company's Legal/ Beneficial Ownership
3001231	9 Sept 2008	9 Sept 2018	active	112	Ontario	Ophiolite	100%
4244161	22 July 2008	22 July 2018	active	192	Ontario	Ophiolite	100%
4244162	22 July 2008	22 July 2018	active	192	Ontario	Ophiolite	100%
4244163	22 July 2008	22 July 2018	active	96	Ontario	Ophiolite	100%
4244751	9 June 2008	9 June 2018	active	256	Ontario	Ophiolite	100%
4274195	26 Sept 2016	26 Sept 2018	active	32	Ontario	Ophiolite	100%
4274196	16 Sept 2016	16 Sept 2018	active	64	Ontario	Ophiolite	100%
4274197	26 Sept 2016	26 Sept 2018	active	192	Ontario	Ophiolite	100%
4287909	10 Oct 2017	10 Oct 2019	active	224	Ontario	Ophiolite	100%
4287910	10 Oct 2017	10 Oct 2019	active	192	Ontario	Ophiolite	100%
4287911	10 Oct 2017	10 Oct 2019	active	208	Ontario	Ophiolite	100%
4287912	10 Oct 2017	10 Oct 2019	active	240	Ontario	Ophiolite	100%
4287913	10 Oct 2017	10 Oct 2019	active	240	Ontario	Ophiolite	100%
4287914	10 Oct 2017	10 Oct 2019	active	256	Ontario	Ophiolite	100%
4287915	10 Oct 2017	10 Oct 2019	active	240	Ontario	Ophiolite	100%
4287916	10 Oct 2017	10 Oct 2019	active	192	Ontario	Ophiolite	100%
4287917	10 Oct 2017	10 Oct 2019	active	256	Ontario	Ophiolite	100%
4287918	10 Oct 2017	10 Oct 2019	active	256	Ontario	Ophiolite	100%
4287919	10 Oct 2017	10 Oct 2019	active	192	Ontario	Ophiolite	100%
4287920	10 Oct 2017	10 Oct 2019	active	240	Ontario	Ophiolite	100%
4287921	10 Oct 2017	10 Oct 2019	active	240	Ontario	Ophiolite	100%
4287922	10 Oct 2017	10 Oct 2019	active	256	Ontario	Ophiolite	100%
4287923	10 Oct 2017	10 Oct 2019	active	144	Ontario	Ophiolite	100%
4287924	10 Oct 2017	10 Oct 2019	active	224	Ontario	Ophiolite	100%
4287925	10 Oct 2017	10 Oct 2019	active	16	Ontario	Ophiolite	100%
4284628	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284629	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284630	22 Sept 2017	22 Sept 2019	active	192	Ontario	Ophiolite	100%
4284631	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284632	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284633	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284634	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284635	22 Sept 2017	22 Sept 2019	active	192	Ontario	Ophiolite	100%

4284636	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284637	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284638	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284639	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284640	22 Sept 2017	22 Sept 2019	active	192	Ontario	Ophiolite	100%
4284641	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284642	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284643	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284644	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284645	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284646	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284647	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284648	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284649	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284650	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284679	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284680	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284681	22 Sept 2017	22 Sept 2019	active	128	Ontario	Ophiolite	100%
4284682	22 Sept 2017	22 Sept 2019	active	128	Ontario	Ophiolite	100%
4284683	22 Sept 2017	22 Sept 2019	active	128	Ontario	Ophiolite	100%
4284684	22 Sept 2017	22 Sept 2019	active	128	Ontario	Ophiolite	100%
4284611	22 Sept 2017	22 Sept 2019	active	192	Ontario	Ophiolite	100%
4284612	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284613	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284614	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284615	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284616	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284617	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284618	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284619	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284620	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284621	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284622	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284623	22 Sept 2017	22 Sept 2019	active	224	Ontario	Ophiolite	100%
4284624	22 Sept 2017	22 Sept 2019	active	192	Ontario	Ophiolite	100%
4284625	22 Sept 2017	22 Sept 2019	active	192	Ontario	Ophiolite	100%
4284626	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284627	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284601	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284602	22 Sept 2017	22 Sept 2019	active	96	Ontario	Ophiolite	100%
4284603	22 Sept 2017	22 Sept 2019	active	240	Ontario	Ophiolite	100%
4284604	22 Sept 2017	22 Sept 2019	active	192	Ontario	Ophiolite	100%
4284605	22 Sept 2017	22 Sept 2019	active	240	Ontario	Ophiolite	100%
4284606	22 Sept 2017	22 Sept 2019	active	240	Ontario	Ophiolite	100%

4284607	22 Sept 2017	22 Sept 2019	active	224	Ontario	Ophiolite	100%
4284608	22 Sept 2017	22 Sept 2019	active	256	Ontario	Ophiolite	100%
4284609	22 Sept 2017	22 Sept 2019	active	96	Ontario	Ophiolite	100%
4284610	22 Sept 2017	22 Sept 2019	active	128	Ontario	Ophiolite	100%

including any and all other claims applied for or granted in renewal, substitution, variation, conversion or extension, in whole or in part, of the claims listed in the table above (**Claims**), free from all encumbrances (except those permitted encumbrances disclosed by the Company to the Purchaser in the Disclosed Materials).

- (d) The Project includes all mining information relating to the Claims (**Mining Information**), including:
- (i) all surveys, maps, plans, geophysical plots (including magnetics and EM) and diagrams of the Claims and adjacent areas;
 - (ii) all drill samples and ores, drilling locations and logs from drilling conducted on the Claims or adjacent areas;
 - (iii) all assays, reports, microprobe data, sample and visible grain count listings, geological, geochemical and petrographic samples and reports of or with respect to ores extracted from or located upon the Claims or adjacent areas; and
 - (iv) copies of or rights to (as applicable) all papers, notes, advices and reports extracted or compiled from or based upon the documents and items referred to above and all other data, specification records (in whatever form), reports, accounts and other documents or things and knowledge (whether reduced to writing or not) relating to the Claims or adjacent areas, including, for the avoidance of doubt, all electronic formats of the same.

SCHEDULE 2 – UNAUDITED AND UNREVIEWED PRO FORMA BALANCE SHEET

	Notes	30 June 2017 Audited	30 June 2017 Pro- forma
ASSETS			
Current Assets			
Cash & Cash equivalents		663,115.00	2,790,744.70
Trade & other receivables		11,120.00	7,014.25
Total Current Assets		<u>674,235.00</u>	<u>2,797,758.95</u>
Non Current Assets			
Property, plant & equipment		1,281.00	1,280.75
Exploration & Evaluation Assets	1	224,100.00	3,374,100.00
Total Non current Assets		<u>225,381.00</u>	<u>3,375,380.75</u>
TOTAL ASSETS		<u>899,616.00</u>	<u>6,173,139.70</u>
LIABILITIES			
Current Liabilities			
Accounts Payable		75,297.00	30,000.00
Other Current Liabilities		4,962.00	(281.69)
Total Current Liabilities		<u>80,259.00</u>	<u>29,718.31</u>
TOTAL LIABILITIES		<u>80,259.00</u>	<u>29,718.31</u>
NET ASSETS		<u>819,357.00</u>	<u>6,143,421.39</u>
EQUITY			
Cost of Capital Raising		-332,379.00	(482,378.89)
Reserves		1,107,666.00	1,107,666.00
Retained Earnings		(9,106,388.00)	(9,282,324.06)
Share Capital		9,150,458.00	14,800,458.34
TOTAL EQUITY		<u>819,357.00</u>	<u>6,143,421.39</u>

NOTES:

1	Exploration & Evaluation Assets Pick Lake Project Investment in Athena	 3,150,000.00 <u>224,100.00</u> <u>3,374,100.00</u>
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SCHEDULE 3 – SUMMARY OF EMPLOYEE SHARE OPTION PLAN

The following is a summary of the key terms and conditions of the Plan to be adopted by the Company:

- (a) **(Eligibility and Grant of Plan Options)**: The Board may grant options to acquire Shares under the Plan (**ESOP Options**) to any full or part time employee or director of the Company or subject to, and in accordance with, any necessary ASIC relief being obtained, a casual employee or contractor of the Company (**Eligible Participant**). Options may be granted by the Board at any time.
- (b) **(No Consideration)**: Unless the ESOP Options are quoted on ASX, ESOP Options will be issued for nil cash consideration.
- (c) **(Conversion)**: Each ESOP Option is exercisable into one Share ranking equally in all respect with the existing issued Shares.
- (d) **(Exercise Price and Expiry Date)**: The exercise price and expiry date for ESOP Options granted under the Plan will be determined by the Board prior to the grant of the ESOP Options.
- (e) **(Exercise Restrictions)**: The ESOP Options granted under the Plan may be subject to conditions on exercise as may be fixed by the Board prior to grant of the ESOP Options (**Exercise Conditions**). Any Exercise Condition imposed by the Board must be set out in the offer for the ESOP Options.
- (f) **(Cashless Exercise)**: An offer may specify that at the time of exercise of the ESOP Options, the Eligible Participant may elect not to be required to provide payment of the exercise price for the number of ESOP Options specified in a notice of exercise, but that on exercise of those ESOP Options the Company will transfer or issue to the Eligible Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those ESOP Options.

Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an offer.

- (g) **(Renounceability)**: Eligible Participants may renounce their offer in favour of a nominee (the Eligible Participants and their nominees are each **Participants**).
- (h) **(Lapsing of ESOP Options)**: Unless the Board determines otherwise, subject to the terms of the offer made to a Participant, an unexercised ESOP Option will lapse:
 - (i) on the Eligible Participant ceasing to be an Eligible Participant:
 - (A) any Exercise Conditions have not been met by the date the relevant person ceases to be an Eligible Participant (**Ceasing Date**); or
 - (B) where any Exercise Conditions have been met by the Ceasing Date or the ESOP Option is not subject to any Exercise Conditions, the Participant does not exercise the ESOP Option within a period of 6 months after the Ceasing Date (or a further date as determined by the Board after the Ceasing Date);
 - (ii) if any Exercise Condition is unable to be met; or

- (iii) the expiry date has passed.
- (i) **(Share Restriction Period):** Shares issued on the exercise of ESOP Options may, at the discretion of the Board, be subject to a restriction that they may not be transferred or otherwise dealt with until a restriction period has expired, as specified in the offer for the ESOP Options.
- (j) **(Disposal of Options):** ESOP Options will not be transferable and will not be quoted on the ASX, unless the offer provides otherwise or the Board in its absolute discretion approves.
- (k) **(Trigger Events):** The Company may permit ESOP Options to be exercised in certain circumstances where there is a change in control of the Company (including by takeover) or entry into a scheme of arrangement.
- (l) **(Participation):** There are no participating rights or entitlements inherent in the ESOP Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders of the Company during the currency of the ESOP Options.
- (m) **(Change in exercise price):** An ESOP Option will not confer a right to a change in exercise price or a change in the number of underlying Shares over which the ESOP Option can be exercised.
- (n) **(Reorganisation):** If at any time the capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a Participant are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
- (o) **(Limitations on Offers):** The Company must have reasonable grounds to believe, when making an offer under the Plan that the number of Shares to be received on exercise of an ESOP Options, when aggregated with the number of Shares issued or that may be issued as a result of offers made at any time during the previous 3 year period under an employee incentive scheme covered by an ASIC Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.

SCHEDULE 4 – TERMS AND CONDITIONS OF INCENTIVE OPTIONS

(a) **Vesting Conditions**

Subject to paragraph (b), the Incentive Options shall vest as follows:

- (i) 6,666,666 Incentive Options on the date that is 12 months from the date of issue of the Incentive Options (**Issue Date**);
- (ii) 6,666,667 Incentive Options on the date that is 24 months from the Issue Date; and
- (iii) 6,666,667 Incentive Options on the date that is 36 months from the Issue Date,

(together the **Vesting Conditions**).

(b) **Lapsing**

In the event that the Optionholder ceases to be a Director prior to the vesting of the Incentive Options, any unvested Incentive Options will immediately lapse and have no further force or effect.

(c) **Vesting**

Upon the relevant Vesting Condition being satisfied, the Company shall notify the Optionholder in writing that the relevant Incentive Options have vested (**Vested Options**).

(d) **Entitlement**

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

(e) **Exercise Price**

Subject to paragraph (n), the amount payable upon exercise of each Vested Option will be \$0.03 (**Exercise Price**).

(f) **Expiry Date**

Each Incentive Option will expire at 5:00 pm (WST) on the date which is 4 years from the Issue Date (**Expiry Date**). A Vested Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(g) **Exercise Period**

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

(h) **Notice of Exercise**

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

(i) **Exercise Date**

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

(j) **Cashless Exercise**

The Optionholder may elect not to be required to provide payment of the Exercise Price for the number of Vested Options specified in the Notice of Exercise, but that on exercise of the Vested Options the Company will transfer or issue to the Optionholder that number of Shares equal in value to the positive difference between the Market Value of the Shares on the Exercise Date and the Exercise Price that would otherwise be payable to exercise the relevant Vested Options.

Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an offer.

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

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

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

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

(l) **Shares issued on exercise**

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

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

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

(n) **Reconstruction of capital**

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

(o) **Participation in new issues**

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

(p) **Change in exercise price**

An Incentive Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Vested Option can be exercised.

(q) **Unquoted**

The Company will not apply for quotation of the Incentive Options on ASX.

(r) **Transferability**

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

PROXY FORM

ISHINE INTERNATIONAL RESOURCES LIMITED (TO BE RENAMED 'SUPERIOR LAKE RESOURCES LIMITED')
ACN 139 522 553

GENERAL MEETING

I/We

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

OR: the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 10:00am (WST), on 6 February 2018 at Suite 8/1297 Hay Street West Perth WA 6005, 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 Resolutions 7 and 8 (except where I/we have indicated a different voting intention below) even though Resolutions 7 and 8 are 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.

Voting on business of the Meeting		FOR	AGAINST	ABSTAIN
Resolution 1	Change to Nature and Scale of Activities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Issue of Consideration Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Issue of Shares under the Capital Raising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of prior issue – Option Fee Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Election of Director – Grant Davey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Election of Director – Peter Williams	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Adoption of Employee Share Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Issue of Incentive Options – Peter Williams	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Change of Company name	<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 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 Shareholder(s):

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date: _____

Contact name: _____

Contact ph (daytime): _____

E-mail address: _____

Consent for contact by e-mail

in relation to this Proxy Form: YES NO

Instructions for completing Proxy Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
 - **(Individual):** Where the holding is in one name, the Shareholder must sign.
 - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
 - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** 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. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Ishine International Resources Limited, Suite 8/1297 Hay Street, Subiaco, Western Australia; or
 - (b) facsimile to the Company on facsimile number +61 8 9322 6128;so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy Forms received later than this time will be invalid.