
TIETTO MINERALS LIMITED

ACN 143 493 118

NOTICE OF GENERAL MEETING

TIME: 10:00AM (WST)

DATE: 13 August 2019

PLACE: Minerva Corporate Pty Ltd
Level 8, 99 St Georges Terrace
Perth WA 6000

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.

If you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9463 2463

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IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that a General Meeting of the Shareholders of Tietto Minerals Limited will be held at 10:00AM (WST) on Tuesday, 13 August 2019 at Minerva Corporate Pty Ltd, Level 8, 99 St Georges Terrace, Perth WA 6000.

YOUR VOTE IS IMPORTANT

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

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders at 10:00AM (WST) on Sunday, 11 August 2019.

VOTING IN PERSON

To vote in person, attend the General 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.

AGENDA – SPECIAL BUSINESS

RESOLUTION 1: APPROVAL TO ISSUE SECURITIES TO HONGKONG AUSINO FOR TRANCHE 2 OF PLACEMENT

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, shareholders approve the issue of up to 9,296,104 Shares and 5,000,000 Placement Options 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 a 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 Company) and 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.

RESOLUTION 2: RATIFICATION OF PRIOR ISSUE – PLACEMENT SHARES

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify and approve the issue under Listing Rule 7.1 by the Company of 8,561,845 Shares 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 a person who participated in the issue or any Associates of those persons. 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.

RESOLUTION 3: RATIFICATION OF PRIOR ISSUE – PLACEMENT SHARES

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify and approve the issue under Listing Rule 7.1A by the Company of 21,771,492 Shares 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 a person who participated in the issue or any Associates of those persons. 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.

RESOLUTION 4: ISSUE OF TRANCHE 2 SHARES

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, shareholders approve the issue by the Company of up to 3,000,000 fully paid ordinary shares at 15 cents per share on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by or on behalf of a person who may participate in the issue and a 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. 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.

RESOLUTION 5: PARTICIPATION OF DIRECTOR IN PLACEMENT – MR FRANCIS HARPER

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

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,000,000 Shares to Mr Francis Harper (or his nominees) 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 Mr Francis Harper or any Associate of Mr Harper. 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.

RESOLUTION 6: APPROVAL TO ISSUE BROKER OPTIONS TO RELATED PARTY BROKER - MR FRANCIS HARPER

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

“That for the purpose of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 2,500,000 Broker Options to Mr Francis Harper (or his nominees), for the purpose and on the terms set out in the Explanatory Statement.”

Voting exclusion: The Company will disregard any votes cast in favour of Resolution 5 by Mr Francis Harper, a person who is to receive securities in relation to the Company, and any Associate of Mr Harper. 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.

A person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 5 if:

- (a) The proxy is either:
 - (i) a member of the Key Management Personnel of the Company; or
 - (ii) a closely related party of such member; and

- (b) the appointment does not specify the way the proxy is to vote on this Resolution 5.

However, the above prohibition does not apply if:

- (a) the Proxy Form specifies how the proxy is to vote on the Resolution, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or
- (b) the person is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though Resolution 5 is connected with the remuneration of the Key Management Personnel of the Company.

RESOLUTION 7: RATIFICATION OF PRIOR ISSUE – HONGKONG AUSINO SUBSCRIPTION SHARES

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify and approve the issue under Listing Rule 7.1 by the Company of 4,037,230 Shares 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 a person who participated in the issue or any Associates of those persons. 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.

RESOLUTION 8: RATIFICATION OF PRIOR ISSUE – HONGKONG AUSINO SUBSCRIPTION SHARES

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify and approve the issue under Listing Rule 7.1 by the Company of 10,316,944 Shares 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 a person who participated in the issue or any Associates of those persons. 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.

RESOLUTION 9 – APPROVAL TO ISSUE SECURITIES TO DIRECTOR – MR PAUL KITTO

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

“That, for the purposes of Listing Rule 10.14 and for all other purposes, Shareholders approve and authorise the Company to 4,500,000 Performance Rights and 2,000,000 Director Options to Paul Kitto (or his nominees) 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 of the Company (who is eligible to participate in the employee incentive scheme in respect of which the approval is sought) and any Associate of those persons. 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.

A person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 8 if:

- (a) The proxy is either:
 - (i) a member of the Key Management Personnel of the Company; or
 - (ii) a closely related party of such member; and

- (b) the appointment does not specify the way the proxy is to vote on this Resolution 9.

However, the above prohibition does not apply if:

- (a) the Proxy Form specifies how the proxy is to vote on the Resolution, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or
- (b) the person is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though Resolution 9 is connected with the remuneration of the Key Management Personnel of the Company.

DATED: 12 JULY 2019

BY ORDER OF THE BOARD

**MATTHEW FOY
COMPANY SECRETARY**

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 which are the subject of the business of the Meeting.

1. RESOLUTION 1: APPROVAL TO ISSUE SECURITIES TO HONGKONG AUSINO FOR TRANCHE 2 OF PLACEMENT

1.1 Background

As announced to the market on 18 April 2019, the Company received commitments to raise up to \$7 million (before costs) through the issue of up to 46.67 million Shares at an issue price of \$0.15 per Share (**Placement**). The Placement was supported by a number of institutional, sophisticated and professional investors.

The funds raised through the Placement are to be used to advance the Abujar Gold Project in Côte d'Ivoire (**Project**), including ongoing 30,000m diamond and RC drilling program to grow the existing resource base, additional metallurgical testwork, a further mineral resource estimate update targeted for Q4 of 2019, a 25,000m auger and aircore drilling program on regional targets and for working capital purposes.

The Placement was to be completed through 2 tranches. On 1 May 2019 the Company completed tranche 1 of the Capital Raising of \$4.5 million through the placement of 30,333,337 Shares at an issue price of \$0.15 per Share to institutional, sophisticated and professional investors.

The ratification of Shares under Tranche 1 are the subject of Resolutions 2 and 3 of this Notice of Meeting.

As part of tranche 2 of the Placement, the Company entered into a share subscription agreement with Hongkong Ausino Investment Limited (**Hongkong Ausino**), an entity controlled by geologist Dr Minlu Fu to place up to \$2 million of Tietto Shares (**Subscription Agreement**) in consideration for Hongkong Ausino in satisfaction of operational costs incurred by Hongkong Ausino on the Company's projects.

The Tietto securities to be issued to Hongkong Ausino under the Subscription Agreement includes the following:

- (a) (**Placement Options**) 5,000,000 Options with an issue price of \$0.001 per Option, exercisable at \$0.20 expiring three years after the grant date; and
- (b) (**Nominated Subscription Shares**): a nominated amount of Tietto Shares (at a deemed issue price of \$0.15 per Tietto Share) equal to outstanding payments made by Hongkong Ausino on the Company's behalf, in full satisfaction of those payments of up to \$2 million,

(together, the **Consideration Securities**).

In accordance with the Subscription Agreement, the Company has the right to issue Nominated Subscription Shares in consideration of up to \$2 million of operating expenses for a period of 18 months from the date of the Subscription Agreement (**Nominated Subscription Shares Period**). The Company intends to use the Subscription Agreement to cover operating expenses such as drilling consumables and wages of drilling staff. While there are no limits to the number of times that the Company can exercise its right to issue Nominated Subscription Shares in full satisfaction of outstanding payments (provided in aggregate the amount does not exceed \$2 million), it is the Company's current intention to do so on a quarterly basis.

Since entering into the Subscription Agreement, Hongkong Ausino has made payments on behalf of the Company totalling \$605,585 and the Company has issued 4,037,230 ordinary shares at a deemed issue price of \$0.15 per Tietto Share in satisfaction of this payment.

Under the Subscription Agreement, the issue of Consideration Securities is conditional on the Company receiving shareholder approval, if required. Resolution 1 therefore seeks the required shareholder approval for the issue of the Consideration Securities as defined above.

Accordingly, under Resolution 1, the Company proposes to issue 9,296,104 fully paid ordinary Shares, being the total maximum amount of Nominated Subscription Shares of 13,333,334 Shares to be issued under the Subscription Agreement less the 4,037,230 Shares already issued under the facility on 13 June 2019 (the subject of Resolution 6) at a deemed issue price of \$0.15 per Share and 5,000,000 Placement Options.

1.2 Regulatory Requirements

Listing Rule 7.1 provides that, unless an exemption applies, a company must not, without prior approval of shareholders, issue or agree to issue Equity Securities if the Equity Securities will in themselves or when aggregated with the Equity Securities issued by the company during the previous 12 months, exceed 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

The issue of Shares pursuant to Resolution 1 will not, if Shareholders approve the issue, be included in the 15% limit and therefore approval of Resolution 1 will minimise the restrictive effect of Listing Rule 7.1 on any further issues by the Company of Equity Securities in the next 12 months.

The securities proposed to be issued, for which approval is sought under Resolution 1, comprise 0.04% of the Company's fully diluted issued capital (based on the number of Shares and Options on issue as at the date of this Notice of General Meeting).

In compliance with the information requirements of Listing Rule 7.3, Shareholders are advised of the following information:

(a) **Maximum number of securities to be issued**

9,296,104 Shares. This maximum number is based on a possible deemed issue price of \$0.15 per Share.

5,000,000 Placement Options.

(b) **Date of issue**

The Company intends to issue Shares progressively and no later than 5 business days after the Nominated Subscription Shares Period. The Company has been granted a waiver from ASX to allow for the issue of these Nominated Subscription Shares outside the 3 month requirement pursuant to listing rule 7.3.2 on the following conditions:

(i) the Nominated Subscription Shares are issued no later than 4 December 2020 (being 18 months from the date of the Subscription Agreement);

(ii) for any annual reporting period during which the Nominated Subscription Shares are issued or any of them remain to be issued, the Company's annual report sets out in detail the number of Nominated Subscription Shares issued during the reporting period, the number that remain to be issued and the basis on which they may be issued;

- (iii) in any half year or quarterly report for a period during which the Nominated Subscription Shares are issued or remain to be issued, the Company includes a summary statement of the number issued during the reporting period, and the number that remain to be issued and the basis on which they may be issued; and
- (iv) the Notice of Meeting contains the full terms and conditions of the Nominated Subscription Shares as well as the conditions of this waiver.

The Company intends to issue the Placement Options after the Meeting and in any event not later than 3 months after the date of the General Meeting (or such later date as permitted by ASX waiver or modification of the Listing Rules).

(c) **The price at which the securities will be issued.**

The Nominated Subscription Shares will be issued at a deemed issue price of \$0.15 per Share.

The Placement Options will be issued at an issue price of \$0.001 per Placement Option.

(d) **The names of the persons to whom the entity will issue the securities or the basis on which those persons will be determined**

The Nominated Subscription Shares and Placement Options will be issued to Hongkong Ausino (or its nominee). Hongkong Ausino is not and will not be a related party of the Company (or associates of such persons) at any time during the Nominated Subscription Shares Period.

(e) **Terms of the securities**

The Nominated Subscription Shares will rank equally with all existing Shares and the Company will apply to ASX for official quotation of the Nominated Subscription Shares.

The Placement Options will be exercisable at \$0.20 each and are issued on the terms set out in Schedule 1 and the Company will not apply to ASX for official quotation of the Placement Options. Any Shares issued on exercise of the Placement Options will be fully paid ordinary Shares on the same terms and conditions as the Company's existing Shares

(f) **Use of funds.**

No funds will be raised from this issue as the issue of Nominated Subscription Shares is in consideration for operating costs incurred by the Company in operating and developing the Project

The funds raised from the Placement Options will be used towards the costs of the Placement. Funds received from the exercise of the Placement Options will be applied to general working capital.

(g) **Voting exclusion statement**

A voting exclusion statement for Resolution 1 is included in the Notice of General Meeting preceding this Explanatory Statement.

1.3 Board Recommendation

The Board believes that the proposed issue is beneficial for the Company and recommends Shareholders vote in favour of the Resolution. It will allow the Company to retain the flexibility

to issue further Equity Securities representing up to 15% of the Company's share capital during the next 12 months.

2. RESOLUTION 2 AND 3: RATIFICATION OF PRIOR ISSUES

2.1 Background

As discussed at section 1.1 of this Explanatory Statement, the Company announced as part of the Placement two tranches.

Resolutions 2 and 3 seek ratification of the placement of 30,333,337 Shares at an issue price of \$0.15 per Share on 1 May 2019 issued under Tranche 1 of the Capital Raising raising \$4.5 million.

Of the 30,333,337 Shares issued, a total of 8,561,845 Shares were issued pursuant to Listing Rule 7.1 and 21,777,492 Shares were issued pursuant to Listing Rule 7.1A.

The purpose of Resolutions 2 and 3 is for Shareholders to ratify the issue of 30,333,337 Shares which was undertaken by way of a Placement to institutional, sophisticated and professional investors without Shareholder approval.

2.2 Regulatory Requirements

Listing Rule 7.1 provides that, unless an exemption applies, a company must not, without prior approval of shareholders, issue or agree to issue Equity Securities if the Equity Securities will in themselves or when aggregated with the ordinary securities issued by the company during the previous 12 months, exceed 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 states that an issue by a company of securities made without approval under Listing Rule 7.1 is treated as having been made with approval for the purpose of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and the company's members subsequently approve it.

Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under Listing Rule 7.1A may issue or agree to issue during the period the approval is valid a number of Equity Securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in Listing Rule 7.1. Listing Rule 7.4 provides that a company may reinstate its capacity to issue up to an additional 10% under Listing Rule 7.1A if shareholders ratify the previous issue of securities.

Accordingly, under Resolutions 2 and 3, the Company seeks from Shareholders approval for, and ratification of, the issue of a total of 30,333,337 Shares to institutional, sophisticated and professional investors, comprising the following:

- (a) **Resolution 2:** 8,561,845 Shares were issued pursuant to Listing Rule 7.1; and
- (b) **Resolution 3:** 21,777,492 Shares were issued pursuant to Listing Rule 7.1A.

The Shares issued, for which approval and ratification is sought under Resolution 2 and 3, comprise 9.09% of the Company's fully diluted issued capital (based on the number of Shares and Options on issue as at the date of this Notice of General Meeting).

2.3 Technical information required by ASX Listing Rule 7.5

Resolution 2

- (a) under Resolution 2, the Company seeks from Shareholders approval for, and ratification of, the issue of 8,561,845 Shares to institutional, sophisticated and professional investors;
- (b) the Shares were issued for \$0.15 per Share;
- (c) the Shares were issued on the same terms as the existing issued Shares in the Company. Application has been made for their quotation on ASX;
- (d) the Shares were issued to institutional, sophisticated and professional investors, who are not related parties of the Company;
- (e) funds received will be used to advance the Abjuar Gold Project in Cote d'Ivoire and for working capital purposes; and
- (f) a voting exclusion statement for Resolution 2 is included in the Notice of General Meeting preceding this Explanatory Statement.

Resolution 3

- (a) under Resolution 3, the Company seeks from Shareholders approval for, and ratification of, the issue of 21,777,492 Shares to institutional, sophisticated and professional investors;
- (b) the Shares were issued for \$0.15 per Share;
- (c) the Shares were issued on the same terms as the existing issued Shares in the Company. Application has been made for their quotation on ASX;
- (d) the Shares were issued to institutional, sophisticated and professional investors, who are not related parties of the Company;
- (e) funds received will be used to advance the Abjuar Gold Project in Cote d'Ivoire and for working capital purposes; and
- (f) a voting exclusion statement for Resolution 3 is included in the Notice of General Meeting preceding this Explanatory Statement.

2.4 Directors' recommendation

The Board of Directors recommends that Shareholders vote in favour of Resolutions 2 and 3. The Chairman of the meeting intends to vote undirected proxies in favour of these Resolutions.

3. RESOLUTION 4: ISSUE OF TRANCHE 2 PLACEMENT

3.1 General

As detailed in Section 1.1 of this Explanatory Statement, received commitments to raise up to \$7 million (before costs) through the issue of up to 46.67 million Shares at an issue price of \$0.15 per Share (**Placement**).

Resolution 4 seeks Shareholder approval for the issue of up to 3,000,000 Tranche 2 Placement Shares at an issue price of 15¢ to raise up to \$450,000 (before costs) (**Tranche 2 Placement Shares**).

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 Resolution 4 will be to allow the Company to issue the Tranche 2 Placement Shares during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

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 Resolution 4:

- (a) the maximum number of Shares to be issued is 3,000,000.
- (b) the issue price of the Tranche 2 Placement Shares is 15.0¢ per Share;
- (c) the Tranche 2 Placement 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 all of the Tranche 2 Placement Shares will occur on the same date;
- (d) The Tranche 2 Placement Shares will be issued to sophisticated and professional investors none of which are related parties of the Company;
- (e) funds raised from the issue of the Tranche 2 Placement Shares will be used to:
 - (i) accelerate exploration of the Abujar Gold Project, Ivory Coast; and
 - (ii) For general working capital purposes.

The directors of the Company unanimously recommend that shareholders vote in favour of Resolution 4.

The Chairman of the Meeting will be casting undirected proxies in favour of this Resolution.

4. RESOLUTION 5: PARTICIPATION OF DIRECTOR FRANCIS HARPER IN THE PLACEMENT

4.1 Background

As detailed in the Explanatory Statement for Resolution 1, at section 1.1, the Company is proposing to undertake the Placement for the purposes of raising funds advance the Project.

Resolution 5 seeks approval to issue Shares under the Placement to a Director of the Company, Mr Francis Harper, or his respective nominees, should he elect to subscribe for Shares under the Placement.

4.2 Listing Rules

Listing Rule 10.11 provides that, unless a specified exception applies, a company must not issue or agree to issue securities to a related party without the approval of ordinary shareholders. A "related party", for the purposes of the Listing Rules, has the meaning given to it in the Corporations Act, and includes the directors of a company.

As such, Shareholder approval is sought under Listing Rule 10.11 as Resolution 5 proposes the issue of 1,000,000 Shares under the Placement to a Director of the Company, who is a related party of the Company by virtue of his directorship.

As Shareholder approval is being sought under Listing Rule 10.11, approval is not also required under Listing Rule 7.1.

4.3 Listing Rule 10.13

In compliance with the information requirements of Listing Rule 10.13, Shareholders are advised of the following information:

(a) **Name of person to receive securities**

The Shares will be issued to Mr Francis Harper (or his respective nominees).

(b) **Maximum number of securities to be issued**

The maximum number of Shares that may be acquired by Mr Francis Harper under Resolution 4 is 1,000,000.

(c) **Date of issue**

The Shares will be issued no later than 1 month after the date of the General Meeting (or such later date as permitted by ASX waiver or modification of the Listing Rules).

(d) **Relationship with the Company**

The Shares are proposed to be issued to Mr Francis Harper. Mr Francis Harper is a Director of the Company and is, as such, a related party of the Company.

(e) **Issue price**

The issue price per Share is \$0.15.

(f) **Terms of issue**

The Shares will be fully paid ordinary shares in the capital of the Company on the same terms and conditions as the Company's existing Shares and rank equally in all respects with the existing Shares.

The Company will apply to ASX for official quotation of the Shares.

(g) **Intended use of the funds raised**

The purpose of the issue is to raise funds in connection with the Placement. The intended use of the funds raised under the issue is to advance the Project and for working capital purposes.

(h) **Voting exclusion statement**

A voting exclusion statement for Resolution 4 is included in the Notice of General Meeting preceding this Explanatory Statement.

4.4 Regulatory Requirements: Corporations Act

Chapter 2E of the Corporations Act regulates the provision of "financial benefits" to "related parties" by a public company. Chapter 2E prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or

(b) prior shareholder approval is obtained to the giving of the financial benefit.

A “related party” is widely defined under the Corporations Act and includes the directors of the company. As such, the Directors of the Company are related parties of the Company for the purposes of Section 208 of the Corporations Act.

A “financial benefit” is construed widely and in determining whether a financial benefit is being given, Section 229 of the Corporations Act requires that any consideration that is given is disregarded, even if the consideration is adequate. It is necessary to look at the economic and commercial substance and the effect of the transaction in determining the financial benefit. Section 229 of the Corporations Act includes as an example of a financial benefit, the issuing of securities or the granting of an option to a related party.

The issue of the Shares under Resolution 5 constitutes the provision of a financial benefit to a related party.

One of the nominated exceptions to the requirement to obtain shareholder approval under Chapter 2E of the Corporations Act is where the provision of the financial benefit is on terms that would be reasonable in the circumstances if the Company and the related party were dealing at arm’s length (or on terms less favourable than arm’s length). Given the Mr Harper will be participating in the Placement on the same arm’s length terms as the parties who are not related parties of the Company, the Board considers the issue of Shares under Resolution 5 to constitute provision of a financial benefit on arm’s length terms, and accordingly that Shareholder approval under Chapter 2E of the Corporations Act is not required.

4.5 Board Recommendation

The Directors do not consider that from an economic and commercial point of view, there are any costs or detriments, including opportunity costs or taxation consequences for the Company or benefits foregone by the Company in granting the Shares to Mr Francis Harper pursuant to this Resolution 5.

The Directors, other than Mr Francis Harper who has a material personal interest in the outcome of Resolution 5, recommend that Shareholders vote in favour of Resolution 4 on the basis that the grant of the Shares will allow the Company to adequately reward and incentivise Mr Francis Harper whilst preserving the Company’s limited cash reserves.

Mr Francis Harper has a material personal interest in the outcome of Resolution 5 and accordingly does not make a voting recommendation to Shareholders.

5. RESOLUTION 6: APPROVAL TO ISSUE BROKER OPTIONS TO FRANCIS HARPER

5.1 BACKGROUND

As announced to the market on 18 April 2019 and detailed at section 1.1 above, the Company received commitments to raise up to \$7 million (before costs) through the issue of up to 46.67 million Shares at an issue price of \$0.15 per Share (**Placement**). Hartleys Limited and Blackwood) acted as Joint Lead Managers to the Placement.

As part of the fees provided to Blackwood for their role in acting as Joint Lead Manager, the Company proposes to issue Options the subject of Resolution 5 to a Director, Mr Francis Harper, who is also a director of Blackwood.

The Company proposes to issue 2,500,000 Broker Options, be equal to approximately 0.9% of the Company’s fully-diluted share capital assuming no further issues of securities by the Company.

5.2 Listing Rules

Listing Rule 10.11 provides that, unless a specified exception applies, a company must not issue or agree to issue securities to a related party without the approval of ordinary shareholders. A “related party”, for the purposes of the Listing Rules, has the meaning given to it in the Corporations Act, and includes the directors of a company.

As such, Shareholder approval is sought under Listing Rule 10.11 as Resolution 5 proposes the issue of Options to Mr Francis Harper, who is a related party of the Company by virtue of his directorship.

As Shareholder approval is being sought under Listing Rule 10.11, approval is not also required under Listing Rule 7.1.

5.3 Listing Rule 10.13

In compliance with the information requirements of Listing Rule 10.13, Shareholders are advised of the following information:

(a) **Name of person to receive securities**

The Broker Options will be issued to Mr Francis Harper (or his respective nominees).

(b) **Maximum number of securities to be issued**

The maximum number of Broker Options that may be acquired by Mr Francis Harper under Resolution 5 is 2,500,000.

(c) **Date of issue**

The Broker Options will be issued no later than 1 month after the date of the General Meeting (or such later date as permitted by ASX waiver or modification of the Listing Rules).

(d) **Relationship with the Company**

The Broker Options are proposed to be issued to Mr Francis Harper. Mr Francis Harper is a Director of the Company and is, as such, a related party of the Company.

(e) **Issue price**

The Broker Options will be issued for nil consideration.

The exercise price for Shares issued on the exercise of the Options will be \$0.1725 per Broker Option.

(f) **Terms of issue**

The Broker Options will be issued on the terms and conditions set out in Schedule 2.

The Company will not apply to ASX for official quotation of the Broker Options.

(g) **Intended use of the funds raised**

The Broker Options will be issued for nil consideration and accordingly no funds will be raised from the issue of Broker Options.

(h) **Voting exclusion statement**

A voting exclusion statement for Resolution 5 is included in the Notice of General Meeting preceding this Explanatory Statement.

5.4 Regulatory Requirements: Corporations Act

A summary of the Corporations Act requirements is set out in section 4.4 of this Notice.

The issue of the Broker Options under Resolution 6 constitutes the provision of a financial benefit to a related party.

One of the nominated exceptions to the requirement to obtain shareholder approval under Chapter 2E of the Corporations Act is where the provision of the financial benefit is on terms that would be reasonable in the circumstances if the Company if the Company and the related party were dealing at arm's length (or on terms less favourable than arm's length).

The financial benefit under Resolution 6 is being provided to Blackwood on the basis of their services provided in relation to the Placement. Mr Francis Harper is to receive the Options in his capacity as director of Blackwood and not in his capacity as director of the Company and as such the issue of Broker Options is reasonable in the circumstances and is at arm's length in accordance with section 210 of the Corporations Act.

Accordingly, Shareholder approval under Chapter 2E of the Corporations Act is not required.

5.5 Board Recommendation

The Directors do not consider that from an economic and commercial point of view, there are any costs or detriments, including opportunity costs or taxation consequences for the Company or benefits foregone by the Company in granting the Broker Options to Mr Francis Harper pursuant to this Resolution 6.

The Directors, other than Mr Francis Harper who has a material personal interest in the outcome of Resolution 6, recommend that Shareholders vote in favour of Resolution 6 on the basis that the grant of the Broker Options will allow the Company to adequately reward Mr Francis Harper, in his role as a director of Blackwood, whilst preserving the Company's limited cash reserves.

Mr Francis Harper has a material personal interest in the outcome of Resolution 6 and accordingly does not make a voting recommendation to Shareholders.

6. RESOLUTION 7: RATIFICATION OF PRIOR ISSUE – HONGKONG AUSINO SUBSCRIPTION SHARES

6.1 Background

As set out in section 1.1 above, the Company has entered into a share Subscription Agreement with Hongkong Ausino to place up to \$2 million of Tietto Shares in consideration for Hongkong Ausino in satisfaction of operational costs incurred by Hongkong Ausino on the Company's projects.

Since entering into the Subscription Agreement, Hongkong Ausino has made payments on behalf of the Company totalling \$605,585 and the Company has issued 4,037,230 ordinary shares at a deemed issue price of \$0.15 per Tietto Share in satisfaction of this payment on 13 June 2019.

The Shares were issued pursuant to the Company's placement capacity under Listing Rule 7.1. ASX Listing Rule 7.1 provides that a company must not, subject to certain exceptions, issue or agree to issue more equity securities in any 12 month period other than the amount which is equal to 15% of its fully paid ordinary securities on issue at the start of that 12 month period.

ASX Listing Rule 7.4 provides that an issue of securities made without approval under Listing Rule 7.1 will be treated as having been made with shareholder approval for the purposes of that Listing Rule if shareholders subsequently ratify it and the issue did not breach Listing Rule 7.1.

Without shareholder approval pursuant to Listing Rule 7.4, the issues will be counted towards the Company's 15% share issue capacity and will therefore reduce the Company's capacity to issue securities in the future without obtaining shareholder approval.

Accordingly, Resolution 6 seeks shareholder approval to allow the Company to refresh its 15% share issue capacity.

6.2 Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 7:

- (a) Under Resolution 7, the Company seeks from Shareholders approval for, and ratification of, the issue of 4,037,230 Shares;
- (b) the Shares were issued at a deemed price \$0.15 per Share;
- (c) the 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 Shares were issued to Hongkong Ausino Investment Limited which is not a related party of the Company;
- (e) funds raised from the issue of the Shares were used to settle payments incurred by the Company including the purchase of a drill rig and consumables; and
- (f) a voting exclusion statement for Resolution 7 is included in the Notice of General Meeting preceding this Explanatory Statement.

6.3 Board Recommendation

The directors of the Company unanimously recommend that shareholders vote in favour of Resolution 7. The Chairman of the Meeting will be casting undirected proxies in favour of this Resolution.

7. RESOLUTION 8: RATIFICATION OF PRIOR ISSUE – HONGKONG AUSINO SUBSCRIPTION SHARES

7.1 Background

On 8 March 2018 the Company announced to ASX that it had entered into a share subscription agreement with Hongkong Ausino Investment Limited (**Hongkong Ausino**), an entity controlled by acclaimed geologist Dr Minlu Fu to place up to \$1.5 million of Tietto Shares (**Initial Subscription Agreement**).

On 8 November 2018, at the Company's annual general meeting, Shareholders ratified a total of 1,505,511 Shares under the Initial Subscription Agreement. Since the 2018 annual general meeting, the Company has made the following issue of shares pursuant to the Initial Subscription Agreement:

- 2,965,418 Shares issued on 2 November 2018 in settlement of expenses totalling \$231,246;
- 4,313,763 Shares issued on 2 January 2019 in settlement of expenses totalling \$307,877;
- 2,741,327 Shares issued on 22 February 2019 in settlement of expenses totalling \$218,785; and
- 296,436 Shares issued on 13 June 2019 in settlement of expenses totalling \$39,222

(together, the **Settlement Shares**).

The Settlement Shares were issued pursuant to the Company's placement capacity under Listing Rule 7.1. ASX Listing Rule 7.1 provides that a company must not, subject to certain exceptions, issue or agree to issue more equity securities in any 12 month period other than the amount which is equal to 15% of its fully paid ordinary securities on issue at the start of that 12 month period ("15% share issue capacity").

ASX Listing Rule 7.4 provides that an issue of securities made without approval under Listing Rule 7.1 will be treated as having been made with shareholder approval for the purposes of that Listing Rule if shareholders subsequently ratify it and the issue did not breach Listing Rule 7.1.

Without shareholder approval pursuant to Listing Rule 7.4, the issues will be counted towards the Company's 15% share issue capacity and will therefore reduce the Company's capacity to issue securities in the future without obtaining shareholder approval. Accordingly, Resolution 8 seeks shareholder approval to allow the Company to refresh its 15% share issue capacity.

7.2 Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 8:

- (a) A total of 10,316,944 Settlement Shares were issued at a weighted average price of \$0.079 per Settlement Share;
- (b) the 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;
- (c) the Shares were issued to Hongkong Ausino Investment Limited which is not a related party of the Company; and
- (d) funds raised from the issue of the Settlement Shares were used to accelerate exploration activities at the Project and general working capital.

7.3 Board Recommendation

The directors of the Company unanimously recommend that shareholders vote in favour of Resolution 8. The Chairman of the Meeting will be casting undirected proxies in favour of this Resolution.

8. RESOLUTION 9: APPROVAL OF GRANT OF SECURITIES TO DIRECTOR – MR PAUL KITTO

8.1 Background

On 22 January 2019 the Company appointed Mr Paul Kitto as Non-Executive Director. In conjunction with Mr Kitto's appointment the Company agreed to issue the following incentive securities to Paul Kitto as part of his remuneration:

- 2,000,000 Director Options comprising:
 - o 1,000,000 Director Options exercisable at \$0.25 on or before 22 January 2022;
 - o 1,000,000 Director Options exercisable at \$0.30 on or before 22 January 2023;
- 4,500,000 Performance Rights comprising:

- 500,000 performance rights convertible into ordinary shares upon the Company achieving an aggregate of at least 1.5M oz with cut-off grade of at least 0.4g/t within pit shell and at least 0.8g/t beyond pit shell;
- 1,500,000 performance rights convertible into ordinary shares upon achieving an aggregate of at least 2.0M oz with cut-off grade of at least 0.4g/t within pit shell and at least 0.8g/t beyond pit shell; and
- 2,500,000 performance rights convertible into ordinary shares upon the Company achieving an aggregate of at least 3.0M oz with cut-off grade of at least 0.4g/t within pit shell and at least 0.8g/t beyond pit shell,

(together, the **Director Securities**).

The Board has determined that the grant of Director Securities under the Long Term Incentive Plan to Mr Paul Kitto is an appropriate form of long term incentive for the Company's Key Management Personnel. The Board considers that Mr Paul Kitto is essential to the operation of Tietto's ongoing business.

Accordingly, the Company is proposing, subject to obtaining Shareholder approval, to issue the Director Securities to the Mr Paul Kitto (or his nominees) under the Long Term Incentive Plan, the key terms of which are set out in Schedule 3.

In determining Mr Paul Kitto's remuneration package, including this proposed issue of Director Securities under the Long Term Incentive Plan, the Board considered the scope of the Mr Kitto's role, the business challenges facing Tietto and market practice for the remuneration of officers in positions of similar responsibility. Accordingly, they determine this proposed grant of Director Securities is appropriate.

Full terms and conditions of the Director Options are set out in Schedule 4. Shares issued on exercise of the Director Options will be fully paid ordinary shares in the capital of the Company ranking equally in all respects with the Company's existing Shares on issue. The Full terms and conditions of the Performance Rights are set out in Schedule 5.

Resolution 9 seeks Shareholder approval pursuant to Listing Rule 10.14 for the issue of the Director Securities to Mr Paul Kitto or his nominees.

8.2 Specific information required by Listing Rule 10.14

Listing Rule 10.11 provides a general restriction against issuing securities to directors without shareholder approval.

Listing Rule 10.14 provides that a company must not issue Equity Securities to a director of the company under an employee incentive scheme unless the issue has been approved by holders of ordinary securities. If approval is given by shareholders under Listing Rule 10.14, separate shareholder approval is not required under Listing Rule 10.11.

In compliance with the information requirements of Listing Rule 10.15A, Shareholders are advised of the following information:

- (a) The maximum number of Director Securities to be issued to Mr Paul Kitto is:
- 2,000,000 New Options comprising:
 - 1,000,000 options exercisable at \$0.25 on or before 22 January 2022;
 - 1,000,000 exercisable at \$0.30 on or before 22 January 2023;
 - 4,500,000 Performance Rights comprising:
 - 500,000 performance rights convertible into ordinary shares upon the Company achieving an aggregate of at least 1.5M oz with cut-off grade of at least 0.4g/t within pit shell and at least 0.8g/t beyond pit shell;

- 1,500,000 performance rights convertible into ordinary shares upon achieving an aggregate of at least 2.0M oz with cut-off grade of at least 0.4g/t within pit shell and at least 0.8g/t beyond pit shell; and
 - 2,500,000 performance rights convertible into ordinary shares upon the Company achieving an aggregate of at least 3.0M oz with cut-off grade of at least 0.4g/t within pit shell and at least 0.8g/t beyond pit shell.
- (b) The Director Securities are being issued to the Mr Kitto as part of the incentive component of the his remuneration and are being issued for nil cash consideration. Accordingly, no funds will be raised from the issue of the Director Securities.
- (c) The following persons, referred to in Listing Rule 10.14, received securities under the Company's incentive scheme since its last approval:

Name	Number of Shares	Number of Options	Number of Performance Rights	Acquisition price of securities
Caigen Wang	11,040,377	11,810,260	11,375,000	Nil
Francis Harper	7,117,545	4,125,000	3,087,500	Nil
Mark Strizek	325,000	1,625,000	1,706,250	Nil
Hanjing Xu	Nil	1,625,000	1,706,250	Nil
Paul Kitto	Nil	Nil	Nil	N/A

- (d) Under the Long Term Incentive Plan, Director Options and Performance Rights may be issued to all Directors, or their permitted nominees, but for the purposes of Resolution 8, at this time, the Company is only seeking to grant the Director Securities to Mr Paul Kitto (and/or his nominees). The persons referred to in Listing Rule 10.14 who are entitled to participate in the Long Term Incentive Plan are Messrs Caigen Wang, Francis Harper, Mark Strizek, Hanjing Xu and Paul Kitto. These recipients are the only people referred to in Listing Rule 10.14 currently eligible to participate in the Long Term Incentive Plan. Any additional persons who become entitled to participate in the Long Term Incentive Plan after this Resolution is approved, and who are not named in this Notice of Meeting, will not participate until approval is obtained under Listing Rule 10.14.
- (e) The Company will issue the Director Securities no later than one month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules), and it is intended that all of the Director Securities will be issued on the same date.
- (f) Mr Paul Kitto is a related party of the Company by virtue of being a Director.
- (g) Details of any securities issued under the Long Term Incentive Plan will be published in each annual report of the Company relating to a period in which securities have been issued, and that approval for the issue of securities was obtained under Listing Rule 10.14.
- (h) The latest date that the Company will issue Director Securities will be no later than 3 years after the date of the General Meeting.

- (i) No loans have or will be made by the Company in connection with the Director Securities.
- (j) A voting exclusion statement is included in the Notice.

8.3 Regulatory Requirements: Corporations Act

A summary of the Corporations Act requirements is set out in section 4.4 of this Notice.

The issue of the Director Securities under Resolution 9 constitutes the provision of a financial benefit to a related party.

It is the view of the Directors that the proposed issue of Shares pursuant to Resolution 8 falls within the “reasonable remuneration” exception under Section 211 of the Corporations Act given the circumstances of the Company and the position held by Mr Kitto.

Accordingly, the Directors have determined not to seek Shareholder approval for the purposes of Section 208 of the Corporations Act for the issue of the Director Securities to Mr Kitto.

8.4 Board Recommendation

The Directors do not consider that from an economic and commercial point of view, there are any costs or detriments, including opportunity costs or taxation consequences for the Company or benefits foregone by the Company in granting the Director Securities to Mr Kitto.

The Directors, other than Mr Paul Kitto who has a material personal interest in the outcome of Resolution 9, recommend that Shareholders vote in favour of Resolution 9 on the basis that the grant of the Director Securities will allow the Company to adequately reward Mr Paul Kitto, in his role as a Director, whilst preserving the Company’s limited cash reserves.

Mr Paul Kitto has a material personal interest in the outcome of Resolution 9 and accordingly does not make a voting recommendation to Shareholders.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities and Investments Commission.

Associate has the meaning given to that term in the ASX Listing Rules.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Blackwood means Blackwood Capital Pty Ltd ACN 101 849 110.

Board means the current board of directors of the Company.

Broker Options means the Options the subject of Resolution 5 of this Notice on the terms and conditions set out in Schedule 2.

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.

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

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Tietto Minerals Limited (ACN 143 493 118).

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Director Options means the Options the subject of Resolution 8 of this Notice on the terms and conditions set out in Schedule 4.

Director Securities has the meaning set out in section 8.1.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Hongkong Ausino has the meaning given to that term at section 1.1 of the Explanatory Statement.

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

Long Term Incentive Plan means the long term incentive plan as summarised in Schedule 3.

Nominated Subscription Shares has the meaning given to that term at section 1.1 of the Explanatory Statement and are the securities the subject of Resolution 1.

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

Option means an unlisted option to subscribe for a Share.

Performance Right means the Performance Rights to be issued under Resolution 8 of this Notice on the terms and conditions set out in Schedule 5 of this Notice.

Placement Option means the Options to be issued under Resolution 1 of this Notice on the terms and conditions set out in Schedule 1 of this Notice.

Placement has the meaning given to that term at section 1.1 of the Explanatory Statement.

Project has the meaning given to that term at section 1.1 of the Explanatory Statement.

Proxy Form means the proxy form accompanying the Notice.

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

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

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

Shareholder means a holder of a Share.

Subscription Agreement has the meaning set out in section 1.1.

Tranche 2 Placement has the meaning set out in section 3.1.

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

SCHEDULE 1 – TERMS AND CONDITIONS OF PLACEMENT OPTIONS

- (a) The Placement Options will be issued in consideration for \$0.001 per Placement Option.
- (b) Each Placement Option gives the holder the right to subscribe for one Share.
- (c) The Placement Options are exercisable at any time from the grant date until the third anniversary of the grant date (**Expiry Date**). Placement Options not exercised on or before the Expiry Date will automatically lapse.
- (d) The exercise price of each Placement Option is A\$0.20 (subject to adjustment to the price as a result of a reconstruction in accordance with paragraph (m)) (**Exercise Price**).
- (e) The Placement Options are not transferable.
- (f) Subject to the condition in paragraph (c) being satisfied, the Placement Options are exercisable by delivering to the registered office of the Company a notice in writing stating the intention of the holder to exercise a specified number of Placement Options, accompanied by an Option certificate, if applicable, and a cheque made payable to the Company for the subscription monies due, subject to the funds being duly cleared funds. The exercise of only a portion of the Placement Options held does not affect the holder's right to exercise the balance of any Placement Options remaining.
- (g) All Shares issued upon exercise of the Placement Options will rank pari passu in all respects with the Company's then issued Shares.
- (h) The Placement Options are not to be quoted on ASX and the Company is under no obligation to apply for quotation of the Placement Options on ASX.
- (i) The Company will apply for quotation on ASX of all Shares issued upon exercise of the Placement Options.
- (j) There are no participating rights or entitlements inherent in the Placement Options and holders will not be entitled to participate in new issues of capital to Shareholders during the currency of the Placement Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the Company will give each Option holder prior notice as required by the Listing Rules of the Record Date (as defined in the Listing Rules) of any proposed issue of Shares or other securities or entitlements made available to the holders of Shares generally to enable the Option holder to exercise its Placement Options and participate in the new issue.
- (k) There is no right to change the Exercise Price of a Placement Option nor the number of Shares over which the Placement Option can be exercised, if the Company completes a pro rata issue of Shares which is not a bonus issue.
- (l) If there is a bonus issue of Shares, the number of Shares over which a Placement Option can be exercised increases by the number of Shares which the Option holder would have received if the Placement Option had been exercised before the record date for the bonus issue.
- (m) In the event of any reconstruction (including consolidation, subdivision, reduction or return of capital) of the issued capital of the Company prior to the expiry date, all rights of the Option holder will be varied in accordance with the ASX Listing Rules applying to a reconstruction of capital at the time of the reconstruction.

SCHEDULE 2 – TERMS AND CONDITIONS OF BROKER OPTIONS

- (a) Each Broker Option gives the holder the right to subscribe for one Share.
- (b) The Broker Options are exercisable at any time from the grant date until the third anniversary of the grant date (**Expiry Date**). Broker Options not exercised on or before the Expiry Date will automatically lapse.
- (c) The exercise price of each Broker Option is A\$0.1725 (subject to adjustment to the price as a result of a reconstruction in accordance with paragraph (k)) (**Exercise Price**).
- (d) The Broker Options are transferable.
- (e) Subject to the condition in paragraph (c) being satisfied, the Broker Options are exercisable by delivering to the registered office of the Company a notice in writing stating the intention of the holder to exercise a specified number of Broker Options, accompanied by an option certificate, if applicable, and a cheque made payable to the Company for the subscription monies due, subject to the funds being duly cleared funds. The exercise of only a portion of the Broker Options held does not affect the holder's right to exercise the balance of any Broker Options remaining.
- (f) All Shares issued upon exercise of the Broker Options will rank pari passu in all respects with the Company's then issued Shares.
- (g) The Broker Options are not to be quoted on ASX and the Company is under no obligation to apply for quotation of the Broker Options on ASX.
- (h) The Company will apply for quotation on ASX of all Shares issued upon exercise of the Broker Options.
- (i) There are no participating rights or entitlements inherent in the Broker Options and holders will not be entitled to participate in new issues of capital to Shareholders during the currency of the Broker Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the Company will give each Broker Option holder prior notice as required by the Listing Rules of the Record Date (as defined in the Listing Rules) of any proposed issue of Shares or other securities or entitlements made available to the holders of Shares generally to enable the Option holder to exercise its Broker Options and participate in the new issue.
- (j) There is no right to change the Exercise Price of a Broker Option nor the number of Shares over which the Broker Option can be exercised, if the Company completes a pro rata issue of Shares which is not a bonus issue.
- (k) If there is a bonus issue of Shares, the number of Shares over which a Broker Option can be exercised increases by the number of Shares which the Option holder would have received if the Broker Option had been exercised before the record date for the bonus issue.
- (l) In the event of any reconstruction (including consolidation, subdivision, reduction or return of capital) of the issued capital of the Company prior to the expiry date, all rights of the Option holder will be varied in accordance with the ASX Listing Rules applying to a reconstruction of capital at the time of the reconstruction.

SCHEDULE 3 – SUMMARY OF LONG TERM INCENTIVE PLAN

1. PARTICIPATION

The board of directors (**Board**) of Tietto Minerals Limited (**Company**) may from time to time in its sole and absolute discretion determine that a person who is an eligible employee under the Long Term Incentive Plan (**Eligible Employee**) may participate in the Long Term Incentive Plan (**Plan**).

2. OFFERS TO PARTICIPATE

Following a determination that an Eligible Employee may participate in the Plan, the Board may at any time and from time to time make an invitation to an Eligible Employee to apply for the grant of Performance Rights or Options (**Awards**) under the rules in respect of the operation of the Plan (**Rules**) to the Eligible Employee (**Offer**).

The terms and conditions of Awards offered or granted under the Rules to each Eligible Employee will be determined by the Board in its sole and absolute discretion and set out in an offer letter delivered to the Eligible Employee (**Offer Letter**). The Offer Letter will include as a minimum:

- (a) the date of the Offer;
- (b) the name of the Eligible Employee to whom the Offer is made;
- (c) the number and type of Award which are capable of becoming exercisable if the conditions (if any) are met;
- (d) the grant date;
- (e) in the case of an Option, the exercise price and the exercise period;
- (f) the expiry date (if any);
- (g) any applicable conditions associated with the Award;
- (h) any disposal or other restrictions attaching to the Award or the fully paid ordinary share (**Share**) issued upon exercise of the Award;
- (i) any rights attaching to the Awards; and
- (j) agreement with the Eligible Employee for the Company to supply details to third parties where required by law.

3. RULES OF THE PLAN

Under the Plan, Performance Rights and/or Options may be offered to Eligible Employees as determined by the Board.

The following is a summary of the key terms of the Plan:

- (a) **Nature of Awards:** Each Option or Performance Right entitles the participant holding the Option or Performance Right, to subscribe for, or be transferred, one

Share. Any Share acquired pursuant to the exercise of an Award will rank equally with all existing Shares from the date of acquisition.

- (b) **No consideration:** An Eligible Employee will not pay anything for the grant of Awards.
- (c) **Conditions:** Awards may be subject to exercise conditions, performance hurdles or vesting conditions (**Conditions**). These Conditions must be specified in the Offer Letter to Eligible Employees. In the event that a takeover bid for the Company is declared unconditional, there is a change of control in the Company, or if a merger by way of a scheme of arrangement has been approved by a court, then the Board may determine that:
 - (i) all or a percentage of unvested Options will vest and become exercisable;
 - (ii) all or a percentage of Performance Rights will be automatically exercised; and
 - (iii) any Shares issued or transferred to a participant under the Plan that have restrictions (on their disposal, the granting of any security interests in or over, or otherwise on dealing with), will be free from any restrictions on disposal.
- (d) **Vesting of Awards:** Awards will vest if and when any Conditions have been satisfied, waived by the Board, or are deemed to have been satisfied under the Rules, and the Company has issued a notice (**Vesting Notification**) to the participant informing them that some or all of their Awards have vested.
- (e) **Exercise of Awards:** The period during which a vested Award may be exercised will commence when a Vesting Notification has been issued by the Company and ends on the Expiry Date (as defined below). Vested Awards must be exercised by delivering to the Company a signed notice together all other required documents and in the case of vested Options, a cheque or cash or such other form of payment determined by the Board for the amount of the Exercise Price (if any).
- (f) **Lapse:**
 - (i) Unvested Awards will generally lapse on the earlier of:
 - (A) the cessation of employment, engagement or office of a relevant person;
 - (B) the day the Board makes a determination that all unvested Awards and vested Options of the relevant person will lapse because, in the opinion of the Board a relevant person has acted fraudulently or dishonestly, or is in material breach of his or her duties or obligations to the Company;
 - (C) if any applicable Conditions are not achieved by the relevant time;
 - (D) if the Board determines that any applicable Conditions have not been met and cannot be met prior to the date that is 5 years from the grant date of an Award or any other date determined by the Board and as specified in the Offer (**Expiry Date**); or
 - (E) the Expiry Date.

- (ii) Where a relevant person who holds Awards ceases employment with the Company and becomes a “Bad Leaver”, unvested Awards will lapse in accordance with paragraph (i) above and vested Options that have not been exercised will lapse on the date of cessation of employment, engagement or office. A Bad Leaver is a person who ceases employment or engagement with the Company in the following circumstances:
 - (A) as a result of termination of their employment or engagement due to serious and wilful misconduct, a material breach of their contract of employment, engagement or office, gross negligence or other conduct justifying termination without notice under their contract of employment, engagement or office or at common law;
 - (B) the relevant person ceases their employment, engagement or office for any reason and commences employment, engagement or office, or otherwise acts, in breach of any post-termination restrictions contained in his or her contract of employment, engagement or office; or
 - (C) the relevant person is disqualified from managing corporations for the purposes of Part 2D.6 Corporations Act.
- (g) **Good Leaver:** If a relevant person, who is classified as a “Good Leaver”, ceases employment, engagement or office with the Company, unless the Board determines otherwise, the persons Awards will lapse in accordance with the terms of the Plan and vested Options that have not been exercised will continue in force and remain exercisable, subject to the satisfaction of any exercise conditions, until the Expiry Date. A Good Leaver is a person who is not a Bad Leaver, and includes where the relevant person’s employment, engagement or office ceases due to death, permanent incapacity, redundancy, resignation, retirement or any other reason the Board determines in its discretion.
- (h) **No assignment:** Awards granted under the Plan may not be assigned, transferred, novated, encumbered with a security interest (such as a mortgage, charge, pledge, lien, encumbrance or other third party interest of any nature) over them, or otherwise disposed of by a participant, other than to a nominated party (such as a spouse, child, trustee of a trust or company) in accordance with the Plan, unless:
 - (i) the prior consent of the Board is obtained; or
 - (ii) such assignment or transfer occurs by force of law upon the death of a participant to the participant's legal personal representative.
- (i) **Issue Limitations:** The Board is not entitled to make an Offer to an Eligible Employee if offers of Awards under the Plan or under similar plans (excluding offers to persons situated at the time of receipt of the offer outside of Australia, that do not require the use of a disclosure document, or made under a disclosure document) in the previous 3 years would exceed 5% of the issued capital of the Company.
- (j) **Amendment of the Plan:**
 - (i) The Board may at any time amend the Rules without shareholder approval in respect of the following matters:
 - (A) amendments of a "housekeeping" nature;

- (B) changing the vesting and exercise provisions of the Plan or any Award so that the scheduled expiry date for an Award is not extended, including to provide for accelerated vesting and early exercise of any Awards;
 - (C) changing the termination provisions of the Plan or any Award so that an Award's originally scheduled expiry date is not extended;
 - (D) changing the provisions on transferability of Awards for normal estate settlement purposes;
 - (E) changing the process by which a Participant who wishes to exercise his or her Award can do so, including the required form of payment for the Shares being purchased, the form of exercise notice and the place where such payments and notices must be delivered; and
 - (F) adding a conditional exercise feature which would give Participants the ability to conditionally exercise in certain circumstances determined by the Board.
- (ii) No amendment to the Rules may be made if the amendment materially reduces the rights of any participant in respect of the Awards granted to them prior to the date of the Amendment (except in relation to amendments stipulated by the Rules).
 - (iii) No amendment to the Plan that requires shareholder approval under any applicable securities laws or requirements shall become effective until such approval is obtained.
 - (iv) The Board may at any time terminate the Plan or suspend the operation of the Plan.

SCHEDULE 4 – TERMS AND CONDITIONS OF DIRECTOR OPTIONS

- (a) Each Director Option gives the holder the right to subscribe for one Share and comprise.
- (i) 1,000,000 options exercisable at \$0.25 on or before 22 January 2022 and 1,000,000 options exercisable at \$0.30 on or before 22 January 2023.
 - (ii) The Director Options are exercisable at any time from the grant date until the respective expiry dates (**Expiry Date**). Options not exercised on or before the Expiry Date will automatically lapse.
- (b) The exercise price of each Director Option is set out in paragraphs (a)(i) above and are subject to adjustment to the price as a result of a reconstruction in accordance with paragraph (k)) (**Exercise Price**).
- (c) The Director Options are non-transferable.
- (d) Subject to the condition in paragraph (b) being satisfied, the Director Options are exercisable by delivering to the registered office of the Company a notice in writing stating the intention of the holder to exercise a specified number of Director Options, accompanied by an Option certificate, if applicable, and a cheque made payable to the Company for the subscription monies due, subject to the funds being duly cleared funds. The exercise of only a portion of the Director Options held does not affect the holder's right to exercise the balance of any Director Options remaining.
- (e) All Shares issued upon exercise of the Director Options will rank pari passu in all respects with the Company's then issued Shares.
- (f) The Director Options are not to be quoted on ASX and the Company is under no obligation to apply for quotation of the Director Options on ASX.
- (g) The Company will apply for quotation on ASX of all Shares issued upon exercise of the Director Options.
- (h) There are no participating rights or entitlements inherent in the Director Options and holders will not be entitled to participate in new issues of capital to Shareholders during the currency of the Director Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the Company will give each Option holder prior notice as required by the Listing Rules of the Record Date (as defined in the Listing Rules) of any proposed issue of Shares or other securities or entitlements made available to the holders of Shares generally to enable the Option holder to exercise its Director Options and participate in the new issue.
- (i) There is no right to change the Exercise Price of a Director Option nor the number of Shares over which the Director Option can be exercised, if the Company completes a pro rata issue of Shares which is not a bonus issue.
- (j) If there is a bonus issue of Shares, the number of Shares over which a Director Option can be exercised increases by the number of Shares which the Option holder would have received if the Director Option had been exercised before the record date for the bonus issue.
- (k) In the event of any reconstruction (including consolidation, subdivision, reduction or return of capital) of the issued capital of the Company prior to the expiry date, all rights of the Option holder will be varied in accordance with the ASX Listing Rules applying to a reconstruction of capital at the time of the reconstruction.

SCHEDULE 5 – TERMS & CONDITIONS ATTACHING TO PERFORMANCE RIGHTS

- (a) Each Performance Right shall carry the right in favour of the holder to be issued one Share on satisfaction of the following conditions (together, the **Vesting Conditions**):
- a. in the case of the 500,000 Performance Rights, upon achieving in respect of the Projects, an aggregate of at least 1.5M oz with cut-off grade of at least 0.4g/t within pit shell and at least 0.8g/t beyond pit shell;
 - b. in the case of 1,500,000 Performance Rights, upon achieving in respect of the Projects, an aggregate of at least 2.0M oz with cut-off grade of at least 0.4g/t within pit shell and at least 0.8g/t beyond pit shell; and
 - c. in the case of 2,500,000 Performance Rights, upon achieving in respect of the Projects, an aggregate of at least 3.0M oz with cut-off grade of at least 0.4g/t within pit shell and at least 0.8g/t beyond pit shell.
- (b) A Performance Right may only be exercised after that Performance Right has vested and before the date that is 4 years after the date the Company is admitted into the Official List of the ASX (**PR Expiry Date**). A Performance Right vests upon satisfaction of the relevant Vesting Condition as determined by the Board.
- (c) An unvested Performance Right will lapse upon the first to occur of:
- a. the relevant Vesting Condition not being satisfied by PR Expiry Date;
 - b. termination of the holder's employment or engagement with the Company on the basis that the holder acted fraudulently or dishonestly in relation to the Company; or
 - c. on certain conditions associated with a "change of control event" as that term is defined in the Long Term Incentive Plan.
- (d) A Performance Right which has vested but has not been exercised will lapse upon the first to occur of (i) the close of business on the PR Expiry Date, (ii) the transfer or purported transfer without the consent of the Board, (iii) the holder acting fraudulently or dishonestly in relation to the Company, or (iv) on certain conditions associated with a "change of control event" as that term is defined in the Long Term Incentive Plan.
- (e) Shares allotted to holders on exercise of Performance Rights shall rank from the date of allotment, equally with existing Shares in all respects and shall be issued for nil consideration.
- (f) Performance Rights shall not be listed for Official Quotation on ASX. The Company shall, in accordance with the Listing Rules, make application to have the Shares allotted pursuant to an exercise of Performance Rights listed for Official Quotation on ASX.
- (g) Performance Rights may only be transferred with the consent of the Board or by force of law upon the death of a holder. Shares may only be transferred upon the expiration of a period (if any) advised to the holder at the time the Performance Rights relating to those Performance Shares were issued.
- (h) There are no participating rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders unless a Performance Right has vested and been exercised and a Share has been issued in respect of that Performance Right.
- (i) In the event of any reconstruction (including a consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the vesting of any Performance Rights, the number of

Shares to which each holder is entitled upon exercise of the Performance Rights or any amount payable on exercise the Performance Rights or both will be adjusted in a manner determined by the Board which complies with the provisions of the Listing Rules to ensure that no advantage or disadvantage accrues to the holder as a result of such corporate actions.

PROXY FORM

**APPOINTMENT OF PROXY
TIETTO MINERALS LTD
ACN 143 493 118**

GENERAL MEETING

I/We

Of

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

Appoint

Name of proxy

OR

the Chair 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 Tuesday, 13 August 2019 at Minerva Corporate Level 8, 99 St Georges Tce, Perth WA 6000 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 5 and 8 (except where I/we have indicated a different voting intention below) even though Resolutions 5 and 8 connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

The Chair intends to vote all undirected proxies in favour of all Resolutions.

Voting on business of the Meeting

		FOR	AGAINST	ABSTAIN
Resolution 1	Approval to issue securities to Hongkong Ausino for Tranche 2 of Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ratification of prior issue – Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of prior issue – Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Issue of Tranche 2 Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Participation of Directors Francis Harper in the Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval to Issue Options to Francis Harper	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Ratification of prior issue – Hongkong Ausino Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Ratification of prior issue – Hongkong Ausino Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Approval to Issue Securities to Director – Paul Kitto	<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):

Date: _____

Individual or Shareholder 1

**Sole Director/Company
Secretary**

Shareholder 2

Director

Shareholder 3

**Director/Company
Secretary**

Instructions for Completing 'Appointment of 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 Tietto Minerals Ltd, PO Box 5638, St Georges Tce WA 6831; or
 - (b) facsimile to the Company on facsimile number +61 8 (61) 8 9486 4799; or
 - (c) Email: info@tietto.com.auso that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy Forms received later than 10:00am (WST) on 11 August 2019 will be invalid.