



Notice of Annual General Meeting

Meeting Documents

1. Notice of Annual General Meeting
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THE INDEPENDENT EXPERT HAS FORMED THE OPINION THAT THE TRANSACTION SUBJECT TO RESOLUTION 5 IS NEITHER FAIR NOR REASONABLE TO THE NON-ASSOCIATED SHAREHOLDERS OF GINDALBIE.

GINDALBIE'S INDEPENDENT DIRECTORS RECOMMEND THAT ELIGIBLE SHAREHOLDERS VOTE AGAINST RESOLUTION 5.

Notice is given that the Annual General Meeting of the shareholders of Gindalbie Metals Ltd will be held at the London House Meeting Room, 216 St Georges Terrace, Perth, Western Australia at **10.00 am** (Perth time) on **Friday, 27 November 2015**

Key Dates

Deadline for lodgement of Proxy Forms	10.00 am (Perth time) on Wednesday 25 November 2015
Deadline for Online Voting	10.00 am (Perth time) on Wednesday 25 November 2015
Date and time for determining eligibility to vote	4.00 pm (Perth time) on Wednesday 25 November 2015
Date and time of Annual General Meeting	10.00 am (Perth time) on Friday 27 November 2015

NOTICE OF GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Shareholders of Gindalbie Metals Ltd will be held at the London House Meeting Room, 216 St Georges Terrace, Perth, Western Australia at 10.00 am (Perth time) on Friday 27 November 2015, for the purpose of considering and, if thought fit, passing the following Resolutions.

Terms used in this Notice of General Meeting will, unless the context otherwise requires, have the meaning given to them in the Glossary contained in the Explanatory Statement.

1. Ordinary business

1.1 Financial Reports

To receive and consider the Financial Report of the Company and the reports of the Directors and auditors for the financial year ended 30 June 2015.

1.2 Resolution 1: Adoption of Remuneration Report

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

“THAT the Remuneration Report for the year ended 30 June 2015 be adopted by the Company.”

Note: The Remuneration Report is set out from page 12 of the Financial Statements contained in the 2015 Annual Report. In accordance with section 250R(3) of the Corporations Act, the votes cast in respect of this Resolution are advisory only and do not bind the Directors or the Company.

1.3 Resolution 2: Re-election of Director – Paul Hallam

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

“THAT Paul Hallam, having retired from his office as a Director in accordance with the constitution of the company and, being eligible, having offered himself for re-election, be re-elected as a Director.”

1.4 Resolution 3: Election of Director –Li Ge

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

“THAT Li Ge, being eligible, having offered himself for election, be elected as a Director.”

1.5 Resolution 4: Election of Director –Anlin Shao

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

“THAT Anlin Shao, being eligible, having offered himself for election, be elected as a Director.”

2. Special business

2.1 Resolution 5: Approval of Grant of Share Mortgage

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

“THAT, for the purposes of Listing Rule 10.1 and for all other purposes, approval is given for the entry by Gindalbie into the Amended Share Mortgage supported by an unlimited recourse guarantee over all the assets of Gindalbie in favour of Anshan Iron and Steel Group Corporation and for any disposals of assets by Anshan Iron and Steel Group Corporation and Anshan Group Investment (Australia) Pty Ltd pursuant to exercise of rights under the Amended Share Mortgage on the terms and conditions set out in the Explanatory Statement accompanying this Notice.”

3. Voting exclusions statement

3.1 Resolution 1 (Remuneration Report)

The Company will disregard any votes cast on Resolution 1 by, or on behalf of:

- A member of the KMP of the Company details of whose remuneration are included in the Remuneration Report (and their closely related parties) in any capacity; and
- A member of the KMP of the Company at the date of the meeting (and their closely related parties) acting as proxy.

Unless the vote is cast:

- As a proxy for a person entitled to vote in accordance with a direction on the proxy form, or
- By the Chair of the Meeting as proxy for a person entitled to vote and the Chair has received express authority to vote undirected proxies as the Chair sees fit even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the KMP of the Company.

3.2 Resolution 5 (Approval of Grant of Share Mortgage)

In accordance with Listing Rules 10.10 and 14.11, the Company will disregard any votes cast on Resolution 5 by Ansteel Group Corporation, Anshan Iron and Steel Group Corporation, Angang Group Investment (Australia) Pty Ltd and their Associates. 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 is cast by the person chairing the Meeting as a 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. Chair’s voting intentions

Subject to any applicable voting exclusions, the Chair of the meeting intends to vote all available undirected proxies **IN FAVOUR** of Resolutions 1-4 and **AGAINST** Resolution 5.

5. Determination of membership and voting entitlements

For the purpose of determining a person’s entitlement to vote at the Annual General meeting, a person will be recognised as a member of the Company and the holder of Shares if that person is registered as a holder of those Shares 4.00 pm (Perth time) on Wednesday 25 November 2015.

6. Votes of members

On a show of hands, each member present in person or by proxy (or, in the case of a body corporate, by a representative) at the Annual General Meeting who is entitled to vote shall have one vote.

On a poll, every member present in person or by attorney or by proxy (or, in the case of a body corporate, by a representative) who is entitled to vote shall have one vote for each Share held by him, her or it.

7. Votes of members

Please note that:

- a) A Shareholder entitled to attend and vote at the Annual General meeting is entitled to appoint no more than two proxies;
- b) A personalised proxy form accompanies this Notice;
- c) A proxy may be a Shareholder of the Company;
- d) A proxy need not be a Shareholder of the Company;
- e) Where a Shareholder appoints two proxies, the following rules apply:
 - a. Each proxy may exercise half of the Shareholder's voting rights if the appointment does not specify a proportion or number of the Shareholder's voting rights the proxy may exercise;
 - b. On a show of hands, neither proxy may vote; and
 - c. On a poll, each proxy may only exercise the voting rights the proxy represents;
- f) A proxy has the authority to vote on the Shareholder's behalf as he or she thinks fit, on any motion to adjourn the Annual General Meeting, or any other procedural motion, unless the Shareholder gives a direction to the contrary;
- g) A valid proxy form will be deemed to confer authority to demand or join in demanding a poll;
- h) To be valid, a proxy form must be signed by the Shareholder or the Shareholder's attorney or, if the Shareholder is a corporation, executed in accordance with the corporation's constitution and the Corporation Act (and may be signed on behalf of the corporation by its attorney); and
- i) To be valid, a proxy for and the power of attorney or other authority (if any) under which it is signed (or an attested copy of it) must be received at the registered office of the Company or at an address given below by no later than **10.00 am (Perth time) on Wednesday 25 November 2015:**

By Mail: Gindalbie Metals Limited
c/- LINK Market Services Ltd
Locked Bag A14, Sydney South NSW 1235;

By Hand: LINK Market Services
1A Homebush Bay Drive, Rhodes NSW 2138;

By facsimile: +61 2 9287 0309; or

Online at www.linkmarketservices.com.au, instructions as follows:

Select 'Investor & Employee Login' and enter Gindalbie Metals Limited or the ASX code GBG in the Issuer name field, your Security Reference Number (SRN) or Holder Identification Number (HIN) (which is shown on the front of your proxy form), postcode and security code which is shown on the screen and click 'Login'. Select the 'Voting' tab and then follow the prompts. You will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website.

Important Notes

1. For further information and explanation on the above Resolutions, please refer to the "Explanatory Statement" which accompanies this Notice of General Meeting.
2. The Resolution is required pursuant to the provisions of the Listing Rules of the Australian Securities Exchange.

Dated: 20 October 2015

By order of the Board of Directors.

Rebecca Moylan
Company Secretary

EXPLANATORY STATEMENT

1 Introduction

This Explanatory Statement has been prepared to assist Shareholders with their consideration of the Resolutions proposed for the Annual General Meeting of Gindalbie Metals Ltd (**Gindalbie** or **Company**) to be held at the London House Meeting Room, 216 St Georges Terrace, Perth, Western Australia at 10.00 am (Perth time) on Friday 27 November 2015.

This Explanatory Statement should be read in conjunction with the accompanying Notice of Meeting.

Terms used in the Notice of General Meeting and this Explanatory Statement, unless the context otherwise requires, have the meaning given to them in the Glossary contained in this Explanatory Statement.

2 Accounts and reports

The Financial Report, Directors' Report and Auditor's Report for the Company for the year ended 30 June 2015 will be laid before the meeting. There is no requirement for Shareholders to approve those reports. However, Shareholders will be given an opportunity to ask questions about, or make comments on, these reports at the Annual General Meeting. The Company's auditors will also be available to take Shareholders' questions about the conduct of the audit the Auditor's Report, the Company's accounting policies and the independence of the auditors in relation to the conduct of their audit.

As required under section 250PA of the Corporations Act, at the meeting the Company will make available those questions directed to the Auditor received in writing, at least five business days prior to the AGM, being questions which the Auditor considers relevant to the content of the Auditor's report or the conduct of the audit of the Annual Financial Report for the year ended 30 June 2015. The Chairman of the meeting will allow a reasonable opportunity for the Auditor to respond to those questions

A copy of the Company's 2015 Annual Report (which includes the Financial Report, Directors' Report and Auditor's Report) is available on the Company's website at www.gindalbiemetals.com.au or on the ASX company announcements platform using the ASX code: GBG.

3 Resolution 1 – Adoption of Remuneration Report

Resolution 2 is proposed for the adoption of the Remuneration Report contained in the Director's Report referred to in the second item of the agenda set out in the Notice of Meeting. Under the Corporations Act, the Company is required to present its Remuneration Report to Shareholders for adoption at its Annual General Meeting.

The Remuneration Report of the Company for the financial year ended 30 June 2015 is set out in the Directors' Report, commencing on page 9 of the Financial Statements contained in the 2015 Annual Report.

Shareholders will be given ample opportunity to raise questions of the Directors on the Remuneration Report prior to the Resolution being put to Shareholders. The Resolution to adopt the Remuneration Report is a non-binding Resolution on the Company and its Directors.

However, if at least 25% of the votes cast are against the adoption of the Remuneration Report, the Company's next Remuneration Report must explain the Board's proposed action in response or explain why no action has been taken.

In the following year, if at least 25% of the votes cast on the resolution that the Remuneration Report be adopted are against adoption, Shareholders will then vote to determine whether the Director will need to stand for re-election. If more than 50% of the votes are cast on the resolution are in favour, a separate re-election meeting must be held within 90 days.

Directors' Recommendation

The Board recommends that Shareholders vote in favour of adopting the Remuneration Report.

4 Resolution 2: Re-election of Director – Paul Hallam

Resolution 2 relates to the re-election of Paul Hallam as a Director of the Company. It is a requirement under clause 13.2 of the Company's Constitution and Listing Rule 14.4 that Mr Paul Hallam retires by rotation. Mr Paul Hallam has offered himself for re-election as a Director of the Company.

Mr Hallam is currently a Non-Executive Director of Altona Mining Limited and a Non-Executive Director of Sandfire Resources NL. He has a wide range of engineering and senior management positions with Fortescue Metals, Newcrest Mining Limited and Alcoa.

Directors' Recommendation

The Board (other than Mr Hallam) recommends that Shareholders vote in favour of Resolution 2.

5 Resolution 3: Election of Director – Li Ge

Resolution 3 relates to the election of Li Ge as a Director of the Company. As Mr Li was a casual appointment to the Company's Board on 6 March 2015, clause 13.5 of the Company's Constitution requires that Mr Li will only hold office until the Company's next Annual General Meeting. Mr Li has offered himself for election as a Director of the Company. Mr Li is one of Ansteel's representatives on the Board of the Company

Directors' Recommendation

The Company's Directors (other than Mr Li) recommend that Shareholders vote in favour of Resolution 3.

6 Resolution 4: Election of Director – Anlin Shao

Resolution 4 relates to the election of Anlin Shao as a Director of the Company. As Mr Shao was a casual appointment to the Company's Board on 6 March 2015, clause 13.5 of the Company's Constitution requires that Mr Shao will only hold office until the Company's next Annual General Meeting. Mr Shao has offered himself for election as a Director of the Company. Mr Shao is one of Ansteel's representatives on the Board of the Company.

Directors' Recommendation

The Company's Directors (other than Mr Shao) recommend that Shareholders vote in favour of Resolution 4.

7 Resolution 5 (Approval of Share Mortgage)

7.1 Background

Gindalbie's only equity investment is a minority shareholding (47.84%) in Karara (**Karara Shares**).

Karara owns and operates the Karara Iron Ore Project located east of Geraldton in Western Australia. Karara is an incorporated joint venture with majority shareholder Angang Group Investment (Australia) Pty Ltd (**Angang**) (52.16%).

As announced to the market on 25 May 2015, Karara has restructured its original financing arrangements. Karara's previous syndicated finance facilities, which were due to be fully repaid by 2020, have been refinanced through a new facility of USD1,481,320,000 which was used to repay all outstanding amounts of the previous syndicated finance facilities.

Unlike the original financing arrangements, Gindalbie, Anshan and Angang have agreed in the Deed of Variation that Anshan's recourse under the Initial Share Mortgage (as amended by the Deed of Variation, Amended Share Mortgage) is to be limited to the Karara Shares.

If non-Ansteel shareholders approve the Amended Share Mortgage, Anshan's rights revert to 'unlimited recourse' and Anshan is again entitled to require Gindalbie to pay the shortfall between the amount of the restructured finance facilities and proceeds of sale of Gindalbie's mortgaged Karara Shares.

Resolution 5 seeks non-Ansteel shareholder approval to grant of a mortgage of the Karara Shares to Anshan in relation to the security arrangements for the new facility (**Amended Share Mortgage**) and the disposal of assets by Anshan under the Amended Share Mortgage. Further information regarding Resolution 5 and the Amended Share Mortgage is set out below.

7.2 Karara Project Funding

On 5 May 2010, the Company announced that it had entered into an agreement to provide the Initial Share Mortgage in favour of Anshan over all of Gindalbie's Karara Shares as part of the security arrangements for the original project finance debt funding required for the development of the Karara Iron Ore Project (**Facility**).

On 20 May 2015, Gindalbie, Anshan, Angang and Karara restructured the original project finance arrangements. The Facility was repaid using the proceeds of a new facility (**Restructured Facility**). The Initial Share Mortgage was varied by a Deed of Variation (**Amended Share Mortgage**) as part of the security arrangements for the Restructured Facility.

Subject to approval by non-Ansteel shareholders, the Amended Share Mortgage removes the Unlimited Recourse Guarantee. Anshan remains entitled to sell the Karara Shares and use the sale proceeds to reimburse itself for the amount paid to the banks on behalf of Gindalbie; however, if there is any shortfall, Anshan is unable to recover that shortfall from Gindalbie. ***If non-Ansteel Shareholders do not approve the Amended Share Mortgage, the Mortgage will remain a Limited Recourse Mortgage.***

ASX Listing Rule (LR) 10.1 (LR10.1) requires that the Amended Share Mortgage be put to non-Ansteel associated shareholders for approval. If non-Ansteel shareholders pass the Resolution and approve the Amended Share Mortgage, the effect is that the Unlimited Recourse Guarantee is fully restored and Gindalbie will again be required to indemnify Anshan for any difference between the amount paid by Anshan to the banks under the Sponsor Guarantee and the sale proceeds from the Karara Shares. The Amended Share Mortgage (like the Initial Share Mortgage) will **not** be a Limited Recourse Mortgage.

If the Resolution is not passed, the Amended Share Mortgage will be a Limited Recourse Mortgage and will not be supported by the Unlimited Recourse Guarantee. The Amended Share Mortgage will be required by ASX to be cancelled under ASX LR 10.9. When cancelled, the Karara Shares will no longer be mortgaged by Gindalbie to Anshan.

Resolution 5 seeks approval for grant of the Amended Share Mortgage supported by the Unlimited Recourse Guarantee in favour of Anshan and for any disposals of assets by Anshan and Angang pursuant to exercise of rights under the Amended Share Mortgage.

7.3 Terms of Amended Share Mortgage

The Unlimited Recourse Guarantee will be restored if either of the following conditions are met:

- (a) ASX determines that shareholder approval for grant of the Amended Share Mortgage is not required (this condition does **not** apply as ASX has determined that shareholder approval is required); or
- (b) Gindalbie's non-Ansteel associated shareholders approve the Amended Share Mortgage supported by the Unlimited Recourse Guarantee in favour of Anshan (Resolution 5).

Summary of key terms of Amended Share Mortgage:

- The Unlimited Recourse Guarantee is removed and the Amended Share Mortgage is a Limited Recourse Mortgage (unless shareholders approve the Amended Share Mortgage (see below); and
- If shareholders approve the Amended Share Mortgage, the Unlimited Recourse Guarantee is restored and the Amended Share Mortgage will be supported by the Unlimited Recourse Guarantee in favour of Anshan (the Amended Share Mortgage will **not** be a Limited Recourse Mortgage);and
- The scope of the underlying debt repayment guarantee by Gindalbie to the financiers is broader than that provided as part of the original financing arrangements, as:
 - the overall debt has been increased, and

- the duration of the guarantee has been extended, so that it guarantees all amounts due under the Financing Agreement until repayment in full, whereas the previous completion guarantee terminated at the 'Completion Date'

The Independent Expert has concluded that the approval of the Variation is neither fair nor reasonable to shareholders of Gindalbie as the disadvantages of approving the Variation outweigh the advantages.

The Board is of the view that grant of the Amended Share Mortgage supported by the Unlimited Recourse Guarantee **IS NOT** in the best interests of shareholders who are not associated with Angang or Anshan, shareholders should **NOT VOTE IN FAVOUR** of Resolution 5 and that the Amended Share Mortgage should not be approved.

7.4 Enforcement of Amended Share Mortgage

Anshan may take steps to enforce the Amended Share Mortgage if an event of default exists.

For example, if Gindalbie does not make any payment due to be made by it under the Guarantee and Undertaking it has provided to the finance parties to support the Restructured Facility, and if any part of its proportionate share of that payment is paid by Anshan, then Gindalbie will be obliged to indemnify Anshan for any payment that Anshan has made on Gindalbie's behalf. If the entire debt was to be called by the banks and Anshan paid out the debt through its Sponsor Guarantee, the banks would release their security, making the Amended Share Mortgage first ranking.

If the Amended Share Mortgage was first ranking Anshan would enforce it by making a call under the indemnity contained in the Amended Share Mortgage for Gindalbie to reimburse it. If Gindalbie did not pay within 5 business days it would be in default of the Amended Share Mortgage. Anshan is granted broad rights to deal with the Karara Shares in an enforcement situation, including exercising its power to sell the Karara Shares contained in the Amended Share Mortgage, or appointing receivers and managers to sell the Karara Shares. For example, if Anshan exercises its rights to sell the Karara Shares, Anshan could engage a third party valuer to value the Karara Shares and then sell all or part of them at market value. Anshan will only be able to acquire the shares or sell them to a related entity if the shareholders approve resolution 5. It would then apply the proceeds of sale to cover its enforcement costs and the amount owed to it by Gindalbie. In the event that the proceeds of sale do not cover the amount owed by Gindalbie Anshan would have an unsecured monetary claim against Gindalbie only. In the event that the proceeds of sale exceed the amount owed by Gindalbie Anshan would be required to pay the excess to Gindalbie.

7.5 Application of Listing Rule 10.1

Listing Rule 10.1 provides that approval of holders of an entity's ordinary securities is required where an entity proposes to dispose of or agree to dispose of a substantial asset to a second entity that is a substantial shareholder, or an Associate of a substantial shareholder, of that entity.

For these purposes:

- (a) a person is a substantial holder if the person and the person's Associates have a relevant interest, or had a relevant interest at any time in the 6 months before the transaction, in at least 10% of the total votes attached to an entity's voting securities; and
- (b) an asset is a substantial asset if its value, or the value of the consideration for it, is 5% or more of the equity interests of the company as set out in the latest accounts of the Company given to ASX under the Listing Rules.

Angang currently has a relevant interest in 36.12% of Shares on issue and is a substantial Shareholder of the Company. Anshan is an Associate of a substantial holder of the Company as Angang is a wholly owned subsidiary of Anshan.

The Company's full year accounts for the period ending 30 June 2015 (as lodged with ASX on 17 September 2015) show a carrying value of the Karara Shares at zero due to Gindalbie's impairment testing process. However, on the basis that the present carrying value attributed to the Karara Shares may not fairly reflect the 'true value' or otherwise market or enterprise value of the Karara Shares, the Karara Shares constitute a 'substantial asset' for the purposes of Listing Rule 10.2.

For the purposes of Listing Rule 10.1, the "disposal" of an asset includes the grant of a security over that asset.

Shareholder approval is sought under the Resolution for the purposes of LR10.1 for grant of the Amended Share Mortgage supported by the Unlimited Recourse Guarantee and for Angang and Ansteel to be able to exercise all of their respective rights under the Amended Share Mortgage and the Unlimited Recourse Guarantee.

If the Resolution is passed, the Unlimited Recourse Guarantee will be restored and the Amended Share Mortgage will include the Unlimited Recourse Guarantee pursuant to which Anshan is entitled to demand payment by Gindalbie of any shortfall between the realized value of the mortgaged Karara Shares and the amount paid by Anshan to the banks in relation to Anshan's sponsor guarantee of Gindalbie's proportionate share of the Restructured Facility. The Amended Share Mortgage will no longer be a Limited Recourse Mortgage.

If the Resolution is not passed, the Amended Share Mortgage will be a Limited Recourse Mortgage; however, the Amended Share Mortgage must be cancelled in compliance with LR 10.1.

7.6 Listing Rule Requirements

Listing Rule 10.1 (and its satellite rules 10.2 - 10.9) supplements the related party transactions provisions of the Corporations Act 2001 (**Corporations Act**). The principle underlying Listing Rule 10 is that a transaction that is caught by the Listing Rule, if it is to be carried through, must be fair and reasonable to the holders of an entity's ordinary securities. In practice, this means that the values given and obtained, both of assets and consideration, must be fair and reasonable.

Under Listing Rule 10.10, the Notice of Meeting is required to contain a report on the transaction from an independent expert stating whether the transaction is fair and reasonable to holders of the Company's Shares whose votes are not to be disregarded.

The Independent Expert's Report is set out in Annexure 1 of this Explanatory Statement. ***The Independent Expert has concluded that the approval of the Variation is neither fair nor reasonable to shareholders of Gindalbie as the disadvantages of approving the Variation outweigh the advantages.***

A voting exclusion statement in respect of the Resolution is set out in section 3.2 of this Notice and section 6.7 of this Explanatory Statement.

7.7 Directors' Recommendation

The Directors (other than Mr C Ping, Mr G Li and Mr A Shao, who have declined to make a recommendation due to their position as nominees of Ansteel on the Board of the Company) recommend that Shareholders vote AGAINST the Resolution for the reasons set out in this section 6 of this Explanatory Statement.

7.8 Voting Exclusion Statement

In accordance with Listing Rules 10.10 and 14.11, the Company will disregard any votes cast on the Resolution by Ansteel, Angang and their Associates. 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 is cast by the person chairing the Meeting as a proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

8 OTHER MATTERS

8.1 ASX's Role

The fact that the accompanying Notice of General Meeting, this Explanatory Statement and other relevant documentation have been received by ASX is not to be taken as an indication of the merits of the Resolution. ASX and its officers take no responsibility for any decision a Shareholder may make in reliance on any of that documentation.

8.2 Shareholder Information Line

GBG shareholders with questions about the Annual General Meeting are encouraged to call the Shareholder Information Line on 1800 206 847 (within Australia) or +61 1800 206 847 (outside Australia).

GLOSSARY

\$ means Australian dollars unless otherwise stated.

Amended Share Mortgage has the meaning given to that term in section 7.2 of this Explanatory Statement.

Angang means Angang Group Investment (Australia) Pty Ltd, a wholly owned subsidiary of Ansteel.

Ansteel means Anshan Iron and Steel Group Corporation.

Associate has the meaning given to that term in section 11 and sections 13 to 17 of the Corporations Act.

ASX means ASX Limited ACN 008 624 691 or, as the context requires, the securities exchange operated by that entity.

Board means the board of Directors from time to time.

Company or **Gindalbie** means Gindalbie Metals Ltd ACN 060 857 614.

Corporations Act means the Corporations Act 2001 (Cth).

Directors mean the Directors of the Company from time to time and **Director** means any one of them.

Explanatory Statement means this explanatory statement.

Facility has the meaning given to that term in section 7.2 of this Explanatory Statement.

Independent Expert means BDO Corporate Finance (WA) Pty Ltd.

Independent Expert's Report means the independent expert's report prepared by BDO Corporate Finance (WA) Pty Ltd, and set out in Annexure 1 to this Explanatory Statement.

Karara means Karara Mining Limited ACN 070 871 831.

Karara Project means the Karara Iron Ore Project.

Karara Shares has the meaning given to that term in section 7.2 of this Explanatory Statement.

Listing Rules means the official listing rules of the ASX as amended from time to time.

Meeting or **General Meeting** means the general meeting of Shareholders convened by the Notice.

Meeting Documents means the Notice of General Meeting and this Explanatory Statement.

Notice or **Notice of General Meeting** means the notice of meeting which accompanies this Explanatory Statement.

Proxy Form means the proxy form attached to the Meeting Documents.

Resolution means the Resolution set out in the Notice.

Securities has the meaning given to that term in section 7.4 of this Explanatory Statement.

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

Share Mortgage has the meaning given to that term in section 7.2 of this Explanatory Statement.

Shareholder means a holder of a Share.