



NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting of Ausmon Resources Limited ("Company") will be held at **Suite 2, Level 2, 22 Pitt Street, Sydney 2000 on 8 February 2018 at 11:00 am.**

ORDINARY BUSINESS

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

Resolution 1: Removal of Auditor

"That, subject to the passing of Resolution 6, Grant Thornton Audit Pty Ltd the current auditor of the Company, be removed as the auditor of the Company in accordance with the Corporations Act, effective from the date of the Meeting."

Resolution 2: Issue of shares to Director Mr Boris Patkin under Employee Incentive Plan 2016

"That approval be given for the purposes of Listing Rule 10.14 of ASX Limited and for all other purposes, the issue of 5,000,000 fully paid ordinary shares in Ausmon Resources Limited at an issue price of \$0.007 per share and the provision of a loan of \$35,000.00 to acquire the shares to Mr Boris Patkin under the Ausmon Employee Incentive Plan 2016 on the terms summarized in the Explanatory Statement."

Resolution 3: Issue of shares to Director Mr John Wang under Employee Incentive Plan 2016

"That approval be given for the purposes of Listing Rule 10.14 of ASX Limited and for all other purposes, the issue of 5,000,000 fully paid ordinary shares in Ausmon Resources Limited at an issue price of \$0.007 per share and the provision of a loan of \$35,000.00 to acquire the shares to Mr John Wang under the Ausmon Employee Incentive Plan 2016 on the terms summarized in the Explanatory Statement."

Resolution 4: Issue of shares to Director Mr Eric W Y M Sam Yue under Employee Incentive Plan 2016

"That approval be given for the purposes of Listing Rule 10.14 of ASX Limited and for all other purposes, the issue of 5,000,000 fully paid ordinary shares in Ausmon Resources Limited at an issue price of \$0.007 per share and the provision of a loan of \$35,000.00 to acquire the shares to Mr Eric W Y M Sam Yue under the Ausmon Employee Incentive Plan 2016 on the terms summarized in the Explanatory Statement."

Resolution 5: Approval for issue of up to 175,000,000 new ordinary shares

"That approval is given in accordance with Listing Rule 7.1 of ASX Limited for the issue and allotment of up to 175,000,000 fully paid ordinary shares as detailed in the Explanatory Statement."

SPECIAL BUSINESS

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



Resolution 6: Appointment of Auditor - as a special resolution

“That, subject to the passing of Resolution 1, Stantons International Audit and Consulting Pty Ltd being qualified to act as auditor of the Company and having consented to act as auditor of the Company, be appointed as the Company’s auditor in accordance with the Corporations Act, effective from the date of the Meeting and the Directors be authorised to agree the remuneration.”

VOTING EXCLUSIONS

Resolutions 2, 3 and 4

In accordance with Listing Rule 10.15.5 of ASX Limited (“ASX”), the Company will disregard any votes cast on Resolutions 2, 3 and 4 by:

- a Director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company); and
- an associate of such person.

Resolution 5

In accordance with Listing Rule 7.3.8 of ASX Limited, the Company will disregard any votes cast on Resolution 5 by:

- a person who may participate in the proposed issue of securities 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; and
- an associate of that person.

However, with respect to all resolutions the Company need not disregard a vote if 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
- 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.

HOW TO VOTE

If you wish to vote on the resolutions contained in this notice, you should either attend the meeting in person, or appoint a proxy or proxies to attend on your behalf. In relation to the appointment of proxies, refer to the notes on proxies on the Proxy Form. A body corporate may appoint a representative to attend in accordance with the Corporations Act 2001. An executed notice evidencing the appointment of the person attending is required when registering at the Annual General Meeting.

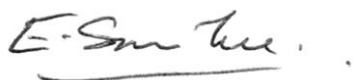
To be valid, forms of proxy (enclosed) for use at the meeting must be completed and returned to the Company no later than 11:00 am NSW Standard Time on 6 February 2018.

ENTITLEMENT TO VOTE

For the purpose of the meeting, and in accordance with regulation 7.11.37 of the Corporations Regulations 2001, it has been determined that shares in the Company will be taken to be held by the persons who are registered holders as at 11:00 pm (NSW Standard Time) on 6 February 2018. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

Dated this 4th day of January 2018.

By Order of the Board of Directors of the Company



Eric W Y M Sam Yue
Company Secretary

EXPLANATORY STATEMENT

This Explanatory Statement provides information to shareholders for the General Meeting of shareholders of Ausmon Resources Limited to be held on **8 February 2018 at 11:00 am at Suite 2, Level 2, 22 Pitt Street, Sydney 2000** and it should be read in conjunction with the accompanying Notice of General Meeting.

Resolution 1 – Removal of Grant Thornton Audit Pty Ltd as Auditor

The Company has received notice of intention by a shareholder to move a resolution for the removal of Grant Thornton Audit Pty Ltd as auditor of the Company. A copy of such notice has been provided to Grant Thornton Audit Pty Ltd in accordance with the Corporations Act.

Grant Thornton Audit Pty Ltd have provided audit services to the Company since its incorporation and there has not been any disagreement with Grant Thornton Audit Pty Ltd at either the Board or management level of the Company in relation to the conduct of the audit or in relation to any accounting treatment or the application of accounting policies or otherwise. The Company has been pleased with the service level Grant Thornton Audit Pty Ltd has provided over the past nine years.

The Company is actively reducing its operating expenses and has established that material cost savings can be made by appointing a quality mid-tier audit firm to provide audit services rather than utilising top-tier audit firm.

The Company does not believe that the audit quality will be diminished as a result of changing auditor.

Resolutions 2, 3 and 4 – Approval for issue of Shares to Directors Mr Boris Patkin, Mr John Wang and Mr Eric W Y M Sam Yue under the Ausmon Employee Incentive Plan 2016

The EIP 2016 approved at the Annual General Meeting held on 30 November 2016 gives the Directors, officers, employees and contractors ("Eligible Persons") the opportunity to participate in the equity of the Company.

The Company proposes to issue new fully paid ordinary shares in Ausmon Resources Limited ("Shares") to Directors Mr Boris Patkin, Mr John Wang and Mr Eric W Y M Sam Yue under the EIP 2016, subject to approval of shareholders at the General Meeting.

Information to shareholders in accordance with Listing Rule 10.15 is as follows:

1. Subject to approval of shareholders, the Shares under the EIP will be issued to Mr Boris Patkin, Mr John Wang and Mr Eric W Y M Sam Yue who are Directors of the Company.
2. The maximum total number of securities to be issued is 5,000,000 Shares to each of Mr Boris Patkin, Mr John Wang and Mr Eric W Y M Sam Yue.
3. The Shares will be issued at \$0.007 per Share. The issue price per Share is at a premium of approximately 10% to the the volume weighted average price of the Share of \$0.00636 for the last five days on which it was traded on the Australian Securities Exchange immediately prior to 3 January 2018, the business day before the proposal was made for the grant of Shares under the EIP to the Directors.
4. Directors or an associate of a Director or a person who in ASX's opinion must not receive securities under an employee incentive scheme without the approval of shareholders who have previously received securities under the EIP or any employee incentive scheme of the Company are as follows: Mr Boris Patkin - 6,000,000 Shares at \$0.01 per Share and Mr John Wang – 12,000,000 Shares at \$0.01 per Share.
5. The names of the persons referred to in Listing Rule 10.14 entitled to participate in the EIP are: Mr Boris Patkin, Mr John Wang and Mr Eric W Y M Sam Yue.
6. Subject to approval of shareholders, non-recourse interest free loan of \$35,000 for a term of 5 years will be provided to each of Mr Boris Patkin, Mr John Wang and Mr Eric W Y M Sam Yue to acquire the Shares. The Company will hold a lien over the Shares until the loans are repaid. If the loans are not repaid at the expiry of the term of the loans or if a disqualifying event occurs, the Company may sell the Shares and after costs apply the sale proceeds to repay the outstanding amount of the loans. If there is a shortfall between the loans amount still owing and the sale price, Mr Boris Patkin, Mr John Wang and Mr Eric W Y M Sam Yue will not be required to make good the shortfall. If there is a surplus after the sale of the Shares Mr Boris Patkin, Mr John Wang and Mr Eric W Y M Sam Yue will be entitled to the surplus. A disqualifying event

occurs when (i) the Director ceases to be an Eligible Person; or (ii) the Director becomes an insolvent under administration; or (iii) the Director has perpetrated fraud against the Company; or (iv) the Director commits a breach of an obligation under the rules of the EIP.

7. The Shares will be issued within 12 month after approval is given by shareholders.

The dealing of the Shares is on condition that the holder is an Eligible Person as defined in the EIP 2016 at the time when no restrictions are applicable.

The Shares issued under the EIP have the same rights as other Shares in the Company but may not be transferred or dealt with where a loan made by the Company for acquisition of the Shares remains unpaid.

By accepting an offer of Shares in accordance with the EIP, each Director agrees to be bound by the rules of the EIP. The rules of the EIP comply with the Listing Rules of ASX and Corporations Act 2001 requirements. Any amendment to the rules of the EIP will also be subject to Listing Rules of ASX and Corporations Act 2001 requirements. The EIP may only be amended by a resolution of the shareholders of the Company.

Shareholder approval is sought for the issue of the Shares under the EIP to Mr Boris Patkin, Mr John Wang and Mr Eric W Y M Sam Yue as under Listing Rule 10.14 of ASX the issue of any Shares by the Company to a Director requires shareholder approval. If approval is given under Listing Rule 10.14, approval is not required under Listing Rule 7.1 with the result that the Shares issued to the Director are not taken into account in determining whether the Company has capacity under Listing Rule 7.1 to issue Shares.

Shareholder approval is also sought for the Company to make non-recourse interest free 5 year loan of \$35,000 to each of Mr Boris Patkin, Mr John Wang and Mr Eric W Y M Sam Yue under the EIP to enable them to acquire the Shares. Funds received on repayment of the loans will be applied to general working capital.

The offer of the Shares combined with the grant of the loans to acquire the Shares under the EIP is akin to the offer of five year options exercisable at \$0.007 per option. Applying the Black Scholes Option Pricing model, the estimated value of the option equivalent being offered to the Directors at 2 January 2018 (the business day before the proposal was made for the grant of Shares under the EIP), applying a risk free rate of 2.34% and expected price volatility of the Share price of 127.2% is \$0.005 per option i.e. \$25,000 for 5,000,000 Shares offered to each of Mr Boris Patkin, Mr John Wang and Mr Eric W Y M Sam Yue.

The Directors believe that the grant of those Shares under the EIP is reasonable share based remuneration supplementing any short term cash benefits and incentive that align the interests of those Directors with those of other shareholders.

Resolution 5 – Approval for issue of up to 175,000,000 new shares

Subject to the approval of shareholders, the Company proposes to issue up to 175,000,000 fully paid ordinary shares at a price per share that is at least 80% of the volume weighted average market price for the share calculated over the last 5 days on which sales in the shares were recorded before the day on which the issue is made.

The shares proposed to be issued have the same rights as other fully paid ordinary shares of the Company already on issue.

The amount to be raised is to be applied to fund the Company's exploration activities, appraisal of corporate opportunities, participation in new ventures, if any, the cost of placement of the shares and for general working capital.

The Company proposes to offer the shares to professional and sophisticated investors and other investors not requiring a disclosure document under section 708 of the Corporations Act that are known to the Company and/or introduced by stockbrokers. The shares will only be issued to those persons that accept an offer, if and when the proposed issue is approved by shareholders at the General Meeting. The shares will not be offered to related parties. The Company may not issue all the securities for which approval is given. The Company may issue and allot the securities progressively as the Company places the securities with investors.

Shares approved under this Resolution 5 will be issued and allotted by the Company no later than three months from the date of the General Meeting.

Resolution 6 – Appointment of Stantons International Audit and Consulting Pty Ltd as Auditor

The Board has received a notice of nomination by a shareholder for the appointment of Stantons International Audit and Consulting Pty Ltd as auditor of the Company (see attached notice).

The Board resolved to recommend the appointment of Stantons International Audit and Consulting Pty Ltd as auditor having regards to the estimate of cost for audit services for the financial year ending 30 June 2018 that they have submitted to the Company.

Stantons International Audit and Consulting Pty Ltd have provided their consent to be appointed as auditor.

Interdependence

Resolutions 1 and 6 are interdependent, with the result that if only one Resolution is passed by members, the other does not become effective.

Recommendation

The Board recommends that shareholders approve all the Resolutions.

Chairman's Proxies

The Chairman intends to vote all available proxies in favour of all the Resolutions.

21 December 2017

The Secretary
Ausmon Resources Limited
World Tower Suite 1312
87-89 Liverpool Street
Sydney NSW 2000

Dear Sir

Removal and appointment of auditor

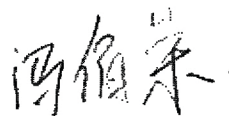
I, Bairong Feng, a shareholder of Ausmon Resources Limited ("Company"), request the Company to convene a general meeting of the Company in accordance with section 329 of the Corporations Act 2001 to consider, and if thought fit, pass the resolution that Grant Thornton Audit Pty Ltd be removed as auditor of the Company.

In accordance with section 327D of the Corporations Act 2001 I nominate Stantons International Audit and Consulting Pty Ltd to be appointed as auditor of the Company at the general meeting of the Company.

Yours faithfully

Bairong Feng

PO BOX 20188
World Square
NSW 2002

A handwritten signature in black ink, appearing to be the Chinese characters '冯伯荣' (Feng Bairong), followed by a period.

FOR ALL ENQUIRIES CALL:
+61 2 9264 6988

FACSIMILE
+61 2 9283 7166

ALL CORRESPONDENCE TO:
PO Box 20188
World Square, Sydney NSW 2002
Australia

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Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction on the form. Securityholders sponsored by a broker should advise your broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

YOUR VOTE IS IMPORTANT

FOR YOUR VOTE TO BE EFFECTIVE IT MUST BE RECORDED BEFORE 11:00 AM ON 6 FEBRUARY 2018

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 Appointment of Proxy

Indicate here who you want to appoint as your Proxy

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

Proxy which is a Body Corporate

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

Appointment of a Second Proxy

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

To appoint a second proxy you must:

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

STEP 2 Voting Directions to your Proxy

You can tell your Proxy how to vote

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

STEP 3 Sign the Form

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

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

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

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

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

STEP 4 Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below not later than 48 hours before the commencement of the meeting i.e. at **11:00 am on 6 February 2018**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxies may be lodged :

BY MAIL - Ausmon Resources Limited, PO Box 20188,
World Square, Sydney NSW 2002 Australia

BY FAX - + 61 2 9283 7166

BY EMAIL - office@ausmonresources.com.au

IN PERSON - Ausmon Resources Limited,
"World Tower" Suite 1312, Level 13, 87-89 Liverpool Street,
Sydney NSW 2000 Australia

Attending the Meeting

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

STEP 1 - Appointment of Proxy

I/We being a member/s of **Ausmon Resources Limited** and entitled to attend and vote hereby appoint

<input type="checkbox"/> the Chairman of the Meeting (mark with an 'X')	OR	
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If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered security holder) you are appointing as your proxy.

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy at the **General Meeting of Ausmon Resources Limited to be held at Suite 2, Level 2, 22 Pitt Street, Sydney 2000 on 8 February 2018 at 11:00 am** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting instruction below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of each resolution, even though a resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel. The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

STEP 2 - Voting directions to your Proxy – please mark ☒ or ☐ to indicate your directions

Ordinary Resolutions		For	Against	Abstain*
Resolution 1	Removal of Grant Thornton Audit Pty Ltd as Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Issue of shares to Director Mr Boris Patkin under Employee Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Issue of shares to Director Mr John Wang under Employee Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Issue of shares to Director Mr Eric W Y M Sam Yue under Employee Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval for issue of up to 175,000,000 new Shares under ASX Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special Resolution				
Resolution 6	Appointment of Stantons International Audit and Consulting Pty Ltd as Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3 - PLEASE SIGN HERE This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1 <div style="border: 1px solid black; height: 40px; width: 100%;"></div>	Securityholder 2 <div style="border: 1px solid black; height: 40px; width: 100%;"></div>	Securityholder 3 <div style="border: 1px solid black; height: 40px; width: 100%;"></div>
Sole Director and Sole Company Secretary	Director	Director/Company Secretary

Contact Name

Contact Daytime Telephone Date / / 2018