



Notice of Annual General Meeting 2019

Date: 8 November 2019

Time: 10.00am (Sydney Time)

Venue: Level 12, 225 George Street,
Sydney NSW 2000

ioneer Ltd

ABN 76 098 564 606

Notice of Annual General Meeting

Notice is given that the 2019 Annual General Meeting (**AGM**) of Shareholders of ioneer Ltd (the **Company**) will be held at the Boardroom registry offices, Level 12, 225 George Street, Sydney NSW 2000 on Friday, 8 November 2019 at 10.00am (Sydney time).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Memorandum and the proxy form part of this Notice. Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in the Definitions section of the Explanatory Memorandum.

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



Business of the Annual General Meeting

Ordinary Business

1. Financial Statements and Reports

To receive and consider the consolidated financial statements of the Company and its controlled entities and the reports of the Directors and auditor for the financial year ended 30 June 2019.

2. Remuneration Report

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

That the Remuneration Report for the year ended 30 June 2019 be adopted.

As required by the Corporations Act, the Company will disregard any votes cast on Resolution 2:

- by or on behalf of a member of the Company's Key Management Personnel details of whose remuneration is disclosed in the Remuneration Report for the year ended 30 June 2019 and their closely related parties, regardless of the capacity in which the vote is cast; or
- as proxy by a person who is a member of the Company's Key Management Personnel at the date of the AGM and their closely related parties.

However, the Company need not disregard a vote cast on Resolution 2 if it is cast as proxy for a person entitled to vote on Resolution 2:

- in accordance with the directions on the proxy form; or
- by the Chairman of the AGM in accordance with an express authorisation in the proxy form to exercise the proxy even though the resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel.

3. Re-election of Directors

To consider and, if thought fit, pass the following resolutions as separate ordinary resolutions:

- That Alan Davies (who retires in accordance with rule 6.4(a) of the Company's Constitution and being eligible) is re-elected as a Director.*
- That Patrick Elliott (who retires in accordance with rule 6.4(a) of the Company's Constitution and being eligible) is re-elected as a Director.*

4. Approval of issue of Options to Directors in lieu of Directors' fees

To consider and, if thought fit, pass the following resolutions as separate ordinary resolutions:

- That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve and authorise the Directors to issue Options to James D. Calaway (or his nominees) in lieu of directors' fees on the terms and conditions set out in the Explanatory Memorandum.*
- That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve and authorise the Directors to issue Options to Alan Davies (or his nominees) in lieu of directors' fees on the terms and conditions set out in the Explanatory Memorandum.*

(c) That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve and authorise the Directors to issue Options to Patrick Elliott (or his nominees) in lieu of directors' fees on the terms and conditions set out in the Explanatory Memorandum.

(d) That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve and authorise the Directors to issue Options to John Hofmeister (or his nominees) in lieu of directors' fees on the terms and conditions set out in the Explanatory Memorandum.

In accordance with ASX Listing Rule 14.11.1, the Company will disregard any votes cast in favour of resolution 4(a) by James D. Calaway or any of his associates.

In accordance with ASX Listing Rule 14.11.1, the Company will disregard any votes cast in favour of resolution 4(b) by Alan Davies or any of his associates.

In accordance with ASX Listing Rule 14.11.1, the Company will disregard any votes cast in favour of resolution 4(c) by Patrick Elliott or any of his associates.

In accordance with ASX Listing Rule 14.11.1, the Company will disregard any votes cast in favour of resolution 4(d) by John Hofmeister or any of his associates.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- 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.

By Order of the Board



Mr. Ian Bucknell
Company Secretary
4th October 2019

Notes and voting instructions

Action to be taken by Shareholders and how to vote

Shareholders should read the Notice and the Explanatory Memorandum carefully before deciding how to vote on the resolutions.

Shareholders can vote in one of two ways:

- (a) by attending the AGM and voting in person or by attorney, or in the case of corporate members, by corporate representatives; or
- (b) by appointing a proxy to attend the AGM and vote on their behalf by using a proxy form enclosed with this Notice.

Voting in person or by attorney

Shareholders are asked to arrive at the venue from 9:30am (Sydney time) to allow for registration for the AGM. To help facilitate registration, please bring the proxy form enclosed with this Notice.

An individual attending the AGM as corporate representative must present satisfactory evidence of his or her appointment to attend on the company's behalf, unless previously lodged with the Company or the Company's Share Register (the Share Registry).

Attorneys should bring with them the original or certified copies of the power of attorney under which they have been authorised to attend and vote at the AGM, unless previously lodged with the Company or the Share Registry.

Proxies

This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the AGM or, if they are unable to attend in person, sign and return the proxy form to the Company in accordance with the instructions thereon. Lodgement of a proxy form will not preclude a Shareholder from attending and voting at the AGM in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the AGM is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

A Shareholder can direct its proxy to vote for, against or abstain from voting on resolutions 2 to 4 by marking the appropriate box on the proxy form for each of those items of business.

Shareholders who complete and return their proxy form but do not nominate the identity of the proxy will be taken to have appointed the Chairman of the AGM as their proxy to vote on their behalf. If a proxy form is returned but the nominated proxy does not attend the AGM, the Chairman will act in place of the nominated proxy. In each case, the Chairman will vote in accordance with any voting directions specified by the member in the proxy form. Undirected proxies will be voted in accordance with the Chairman's voting intentions (see Undirected Proxies below).

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms.

Undirected Proxies

If you appoint the Chairman as your proxy (including by default) and you do not specify how the proxy is to vote, you expressly authorise the Chairman to cast your vote "for" each item of business, even where the resolutions are connected directly or indirectly with the remuneration of one or more members of the Key Management Personnel, which includes the Chairman.

The Chairman intends to vote undirected proxies in favour of all resolutions on the agenda for the meeting.

Any undirected proxy given to a Director (other than the Chairman), any "Associate" of a Director, or other member of the Key Management Personnel of the Company or their related parties for resolutions connected directly or indirectly with the remuneration of Key Management Personnel will not be cast, unless shareholders specify how the proxy should vote on the shareholder proxy form.

Entitlement to vote

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered as Shareholders on 6 November 2019 at 7.00pm (Sydney time).

Annual Report

Shareholders will be offered the opportunity to discuss the Annual Report at the AGM. Copies of the report can be found on the Company's website www.ioneer.com or by contacting the Company on (02) 9922 5800.

There is no requirement for Shareholders to approve the Annual Report.

Shareholders will be offered an opportunity to:

- (a) discuss the Annual Report;
- (b) ask questions or comment on the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the AGM, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the preparation and the content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 business days before the AGM to the Company Secretary at the Company's registered office.

Explanatory Memorandum

Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the AGM to be held at the Boardroom registry offices, level 12, 225 George Street on Friday, 8 November 2019 at 10.00am (Sydney time).

This Explanatory Memorandum should be read in conjunction with, and forms part of, the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the resolutions set out in the Notice.

Resolution 1 – Financial Statements and Reports

The Corporations Act requires the Financial Report (which includes Financial Statements and Directors' Declaration), the Directors' Report and the Auditor's Report to be laid before the AGM.

There is no requirement either in the Corporations Act or in the Company's Constitution for members to approve the Financial Report, the Directors' Report or the Auditor's Report.

Shareholders will have a reasonable opportunity at the AGM to ask questions and make comments on these Reports and on the business and operations of the Company. Shareholders will also be given a reasonable opportunity to ask the auditor questions about the Auditor's Report and the conduct of the audit of the Financial Report.

The Company's Annual Report (which includes the Financial Report) is available at www.ioneer.com.

Resolution 2 – Remuneration Report

The Directors' Report for the year ended 30 June 2019 contains a Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the executive and non-executive directors. The Company's Annual Report (which includes the Directors' Report) is available at www.ioneer.com.

The Corporations Act provides that the Company is required to put the Remuneration Report to the vote of Shareholders. The Corporations Act expressly provides that the vote is advisory only and does not bind the Directors or the Company.

Shareholders attending the AGM will be given a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

The Chairman intends to exercise all undirected proxies in favour of resolution 2. If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on resolution 2, by signing and returning the proxy form, you are considered to have provided the Chairman with an express authorisation to vote the proxy in accordance with the Chairman's intention.

The Board unanimously recommends that Shareholders vote in favour of the resolution.

The Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011 (Cth) gives Shareholders the opportunity to remove the Board if the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings (Two Strikes Rule).

Under the Two Strikes Rule, where a resolution on the Remuneration Report receives a 'no' vote of 25% or more at two consecutive AGMs, the Company will be required to put to Shareholders at the second AGM, a resolution on whether another meeting should be held (within 90 days) at which all Directors

(other than the Managing Director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

At the Company's 2018 Annual General Meeting the remuneration report was approved by approximately 90% of shareholders.

In summary, if the Remuneration Report receives a 'no' vote of 25% or more at this AGM, and there is a 'no' vote of 25% or more at the next annual general meeting the consequences are that all Directors (other than the Managing Director) may be up for re-election.

Resolution 3 – Re-election of Directors

The Company's constitution requires that an election of Directors must take place each year. Each year:

- (a) one third of the Directors (or the nearest whole number); and
- (b) any Director who has held office without re-election past the third annual general meeting,

(excluding the Managing Director), must retire as Director.

If eligible, that Director may then offer themselves for re-election.

Certain other requirements apply as to which Director must retire for the purposes of re-election.

Pursuant to rule 6.4(a) of the Company's Constitution, Mr. Alan Davies and Mr. Patrick Elliott each retire as a Director at the AGM. Being eligible, each of them offers themselves for re-election as a Director.

Information on the skills and experience for each of Mr. Davies and Mr. Elliott is set out in the Company's 2019 Annual Report.

Those of the Directors who are not the subject of a re-election resolution, support the re-election of Mr. Davies and Mr. Elliott.

Resolution 4 – Grant of Options to Directors

These resolutions seek shareholder approval for the issue of Options to James D. Calaway, Alan Davies, Patrick Elliott and John Hofmeister (or their nominees) in lieu of receipt of their directors' fees in cash from time to time.

ASX Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

If resolutions 4(a) to (d) are passed by the Shareholders, then the issue of Options to the Directors will not be included in the 15% calculation of the Company's annual placement capacity pursuant to Listing Rule 7.1.

The Board believes that providing remuneration to Directors in the form of Options in consideration for their services as Directors more effectively aligns the interests of Directors with those of Shareholders, by giving the Directors an opportunity to share in the success of the Company. Director remuneration in this form can motivate and reward long-term decision making, through the aim of creating and maximising Shareholder value.

The value of the Options at the time of issue, taken together with all other Director remuneration, cannot exceed the then applicable maximum annual remuneration that can be paid to all of the Directors (known as the directors' remuneration cap). If shareholders do not approve the issue of Options, the remuneration for the relevant Directors will be paid in cash.

Explanatory Memorandum *continued*

Section 208 of the Corporations Act

In accordance with section 208 of the Corporations Act, to give a financial benefit to a related party (including Directors), the Company must obtain Shareholder approval unless the giving of the financial benefit falls within an exception in sections 210 to 216 of the Corporations Act.

The Board considers that shareholder approval under section 208 of the Corporations Act is not required as the exception in section 211 of the Corporations Act applies. The Options to be issued to the Directors are considered to be reasonable remuneration for the purposes of section 211 of the Corporations Act.

Specific Information Required by Listing Rule 10.13

ASX Listing Rule 10.13 requires certain information to be provided in relation to approval sought under ASX Listing Rule 10.11.

This information is set out below:

The name of the person:	Resolution 4(a) - James D. Calaway (Director), or his nominee. Resolution 4(b) - Alan Davies (Director), or his nominee. Resolution 4(c) - Patrick Elliott (Director), or his nominee. Resolution 4(d) - John Hofmeister (Director), or his nominee.
The formula for calculating the number of securities to be issued to the person:	In respect of: <ul style="list-style-type: none">• James D. Calaway;• Alan Davies;• Patrick Elliott; and• John Hofmeister, the number of Options to be issued to each Director is equal to a value of \$45,000 using the Black Scholes model (based on vesting after 12 months and expiry date of 5 years from the date of the 2019 Annual General Meeting). For example, if the exercise price of each Option was \$0.20 with an expiry of 5 years, the price per Option would equal \$0.113 and approximately 398,230 Options would be issued to each Director.
The date by which the securities will be issued (issue date):	The Options to be issued to Directors (or their nominees) will be issued on a date which will be no later than 1 month after the date of the Annual General Meeting if Shareholder approval is obtained, unless otherwise extended by way of ASX granting a waiver to the Listing Rules.
The issue price:	The issue price will be determined at the issue date of the Options based on the number of Options issued in lieu of Directors' fees, being \$45,000, using the Black Scholes model (at an exercise price equal to the VWAP for the Company's Shares over the 10 Trading Days immediately before the date of the Annual General Meeting). For example, if the exercise price was \$0.20 with an expiry of 5 years, then approximately 398,230 Options would be issued to each Director at an issue price of \$0.113.
Terms of the equity securities:	The Options will be issued at an exercise price equal to the VWAP for the Company's Shares over the 10 Trading Days immediately before the date of the Annual General Meeting. The Options will vest after 12 months and expire 5 years from the date of issue.
The intended use of funds raised:	Not applicable. Options are issued in lieu of paying Directors' remuneration in cash. However, cash will be payable at the time when the Options are exercised with the proceeds being raised from these conversions being utilised to fund its projects and working capital requirements.
Voting exclusion statement:	A voting exclusion statement is contained on page 1 of this Notice of Meeting. Votes cast by shareholders contrary to the voting exclusion statement will be disregarded.

Board recommendation

Other than:

- James D. Calaway in relation to resolution 4(a) because of his interest in that resolution;
- Alan Davies in relation to resolution 4(b) because of his interest in that resolution;
- Patrick Elliott in relation to resolution 4(c) because of his interest in that resolution; and
- John Hofmeister in relation to resolution 4(d) because of his interest in that resolution,

the Board unanimously supports issuing Options (and if exercised, Shares) to James D. Calaway, Alan Davies, Patrick Elliott and John Hofmeister in lieu of remuneration.

Dilution – worked example

The degree of dilution is minimal (and therefore not expected to be excessive) in the context of the Company's issued capital. The expected dilution range based on the lowest and highest Share price in the last 12 months ending 20 September 2019 is expected to be between 0.021% and 0.045%. For example, assuming a total number of 1,474,983,509 Shares on issue and adopting the proposed terms of the Options in the Notice, the anticipated range of dilution to Shareholders is expected to be as follows:

Share price	Exercise Price (10 day VWAP)	Option Valuation	No. of Options	Dilution to Shareholders
12 month low Share price ending 20 Sep. 2019	0.120	0.0678	663,717	0.0450%
Closing Share price as at 20 Sep. 2019	0.180	0.1018	442,043	0.0300%
12 month high Share price ending 20 Sep. 2019	0.255	0.1442	312,067	0.0212%

The above worked example is for illustrative purposes only.

Explanatory Memorandum *continued*

ASX Waiver

The Company has obtained a waiver from the ASX, such that the Options may be issued and the Notice is able to provide the formula which will be used to calculate the issue price of the Options (rather than the specific issue price as required by ASX Listing Rule 10.13.5). The conditions of the waiver provide that:

- (a) the Notice must state the number of remuneration Options will be calculated by dividing the amount owed to the Directors by the value of each option as determined by the Black Scholes model and the exercise price of each Option is the market value of the underlying Shares at the time of the grant of the Options as determined by the VWAP of the underlying Shares for the 10 business days prior to the date of the AGM;
- (b) the Notice must include worked examples of the dilution that will occur to existing Shareholders of the Company as a result of the issue of remuneration Options;
- (c) the Company release the issue price based on the Black Scholes model prior to the commencement of the AGM; and
- (d) the terms of the waiver must be included in the Notice.

Definitions

\$ means Australian Dollars.

AGM or **Annual General Meeting** means the Company's 2019 annual meeting of Shareholders.

Annual Report means the Directors' Report, the Financial Report and Auditor's Report in respect to the financial year ended 30 June 2019.

Associate has the meaning given in section 318 of the Income Tax Assessment Act 1936.

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

Auditor's Report means the auditor's report on the Financial Report.

Board means the board of Directors.

Chairman means the chairman of this Annual General Meeting.

Closely Related Party has the meaning in section 9 of the Corporations Act.

Company means Ioneer Ltd ABN 76 098 564 606.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

Directors' Report means the annual directors report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company and its controlled entities.

Key Management Personnel means a person having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listing Rules means the listing rules of ASX.

Notice means this notice of meeting.

Option means an option to acquire a Share.

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

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

Shareholder means a shareholder of the Company.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

VWAP means volume weighted average price.

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

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