



Red Gum Resources Limited

ACN 119 641 986

Notice of Extraordinary General Meeting

Date of Meeting:	Thursday, 21 May 2015
Time of Meeting:	11:30 am (Sydney time)
Place of Meeting:	City Tattersalls Club, The Sydney Room, Level 2, 194-204 Pitt Street, Sydney NSW

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Red Gum Resources Limited

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Part A: Letter to Shareholders

17 April 2015

Dear Shareholders,

As Chairman of the Company I would like to invite you to attend Red Gum's Extraordinary General Meeting to be held on Thursday, 21 May 2015 (Sydney time). Details are contained in the accompanying Notice of Meeting and Explanatory Memorandum, which also provides the agenda and background for each of the resolutions to be put to shareholders at that meeting.

This meeting has been called to consider two resolutions concerning the recent capital raising announced by the Company on 2 April 2015. In undertaking this capital raising we have been very fortunate to have as Lead Manager and Underwriter for the proposed Rights Issue, the subject of Resolution 2, Patersons Securities Limited. This Rights Issue will give all shareholders the opportunity to participate in purchasing shares on the same terms as the Placement and Convertible Loan participants. Resolution 1 relates to shareholder approval of the Placement to sophisticated investors in order that the Company can preserve its entire 15% under listing Rule 7.1.

Proceeds of the Placement, Convertible Loan and Rights Issue will ensure that the Company is suitably funded to continue with its current operations and importantly the pursuit of new opportunities as part of its new forward business strategy, without unnecessary financial or timing constraints.

Your Directors intend to vote in support of both resolutions, where legally entitled to do so, and I recommend that you vote FOR each resolution, where legally entitled to do so. I hope that you are able to attend the Extraordinary General Meeting in person or, if not, have time to lodge your vote on the Proxy Form provided.

Thank you for your support.

Yours faithfully

A handwritten signature in black ink, appearing to be 'R. Shaw', written over a horizontal line.

Dr. Raymond Shaw
Executive Chairman
Red Gum Resources Limited

Red Gum Resources Limited

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Part B: Notice of Extraordinary General Meeting

Notice is hereby given that an Extraordinary General Meeting of the Shareholders of Red Gum Resources Limited (the “**Company**”) will be held at City Tattersalls Club, The Sydney Room, Level 2, 194-204 Pitt Street, Sydney NSW on Thursday, 21 May 2015 at 11:30am (Sydney time).

If you are unable to attend the meeting, we encourage you to complete and return the enclosed Proxy Form. The completed Proxy Form must be received at the Company’s share registry or the registered office of the Company, before 11:30am Sydney time on Tuesday, 19 May 2015. The details of the Company’s share registry and registered office are set out in the attached Proxy Form.

The enclosed Explanatory Memorandum accompanies and forms part of this Notice of Meeting. Shareholders are advised to read these documents in full as important background information is included.

The Chairman will be casting undirected proxy votes held by him in favour of the Resolutions. Directors of the Company will be voting in favour of all Resolutions, and unanimously recommend to all Shareholders that they vote in favour of all Resolutions.

BUSINESS

1. Proposed Ordinary Resolutions:
 - i Ratification of prior share placement in April 2015
 - ii Approval of conversion of Convertible Loans

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AGENDA

Proposed Resolutions

Resolution 1 – Ratification of prior share placement in April 2015

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

"That approval be given, for the purposes of ASX Listing Rule 7.4 and for all other purposes, to the prior issue and allotment on April 2015 of 2,800,000 fully paid ordinary shares at \$0.035 each for a total consideration of \$98,000, to non-related sophisticated investors in the manner described in the Explanatory Memorandum which accompanies and forms part of this Notice of Meeting."

Voting Restriction on Resolution 1

The Company will disregard any votes cast on Resolution 1 by:

- A person who participated in the issue of securities; and
- Any associate 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 voting 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 voting form to vote as the proxy decides.

Resolution 2 – Approval of conversion of Convertible Loans

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

"That approval be given, for the purposes of ASX Listing Rule 7.1 and for all other purposes, to the conversion of the Convertible Loans by the issue and allotment of 14,000,000 fully paid ordinary shares at an issue price of \$0.035 each in the manner described in the Explanatory Memorandum which accompanies and forms part of this Notice of Meeting."

Voting Restriction on Resolution 2

The Company will disregard any votes cast on Resolution 2 by:

- A person who may participate in the issue of securities;
- A person who may obtain a benefit except solely in the capacity of a holder of ordinary securities if the resolution is passed; and
- Any associate 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 voting 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 voting form to vote as the proxy decides.

General business

Executive Chairman's Report on current activities.

By order of the board



Malcolm Lucas-Smith
Company Secretary
17 April 2015

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NOTES:

1. Further details of the Resolutions in this Notice of Meeting are contained in the Explanatory Memorandum accompanying this Notice of Meeting. The Explanatory Memorandum should be read together with, and forms part of, this Notice of Meeting.
2. Shareholders unable to attend the Meeting can complete the Proxy Form contained in this Notice of Meeting. The form must be received by the Company at the address or the facsimile number indicated on the Proxy Form no later than 19 May 2015 at 11:30am Sydney time.
3. In accordance with the Corporations Act, a person's entitlement to vote at the Meeting will be determined by reference to the number of fully paid ordinary shares registered in the name of that person (reflected in the register of Shareholders) as at 7.00pm Sydney time on 19 May 2015. Shareholders that do not hold shares at this time will be ineligible to vote at the meeting.
4. Shareholders unable to attend the Meeting are urged to complete the attached Proxy Form and return it to the Company in accordance with Note 2. A Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy. A proxy need not be a Shareholder of the Company. A Shareholder who is 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. If no proportion or number is specified, then in accordance with section 249X(3) of the Corporations Act 2001, each proxy may exercise half of the votes. Proxies must be lodged at the registered office of the Company or the Company's share registry, no later than forty-eight hours before the Meeting or adjourned Meeting. A form of proxy together with a return addressed envelope is provided with this notice.
5. For Intermediary Online subscribers only (custodians), cast the shareholder's vote online by visiting www.intermediaryonline.com.

VOTING IN PERSON

Shareholders who plan to attend the Meeting are asked to arrive at the venue 30 minutes prior to the time designated for the Meeting, if possible, so that we may check the shareholding against the Share Register and note attendances.

In order to vote in person at the Meeting, a corporation that is a shareholder or a proxy may appoint an individual to act as its representative. The appointment must comply with the requirements of Section 250D of the Corporations Act. The representative should bring to the Meeting evidence of their appointment, including any authority under which it is signed.

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Part C: Explanatory Memorandum

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at a Meeting of the Company to be held at City Tattersalls Club, The Sydney Room, Level 2, 194-204 Pitt Street, Sydney NSW on Thursday, 21 May 2015, commencing at 11:30am (Sydney time).

A copy of the Notice of Meeting (including this Explanatory Memorandum) was lodged with ASX on 17 April 2015. The ASX does not take responsibility for the content of the Notice of Meeting (including this Explanatory Memorandum).

This Explanatory Memorandum forms part of the Notice of Meeting and must be read together with that Notice. The purpose of this Explanatory Memorandum is to provide Shareholders with an explanation of the business of the Meeting and of the Resolutions to be proposed and considered at the Meeting, and to assist Shareholders in determining how they wish to vote on each of the Resolutions.

The Chairman will be casting undirected proxy votes held by him in favour of the Resolutions. All Directors of the Company will be voting in favour of all Resolutions, and unanimously recommend to all Shareholders that they vote in favour of all Resolutions.

RESOLUTION 1 - Ratification of prior securities placement in April 2015

On 2 April 2015 the Company announced a placement of 2,800,000 fully paid ordinary shares to non-related sophisticated investors introduced by Patersons Securities Limited, to raise \$98,000 at \$0.035 per share. The placement was completed on 8 April 2015 pursuant to the Company's existing capacity under ASX Listing Rule 7.1. As announced the funds raised will be used for the Company to identify new opportunities, working capital and costs of the issue.

The Company also announced on 2 April 2015 the issue of convertible loans to raise an additional \$490,000. The future conversion of the convertible loans is the subject of resolution 2 below. Additionally the Company announced a fully underwritten non-renounceable rights issue on the basis of 11 new ORD shares for each 12 ORD shares in the issued capital of the Company, also at an Offer price of \$0.035 each, to raise a further \$696,500 (approximately). The non-renounceable rights issue does not require shareholder approval as pro rata securities issues are an exception (ASX Listing Rule 7.2 exception 1) to the requirements of ASX Listing Rule 7.1.

Purpose of Resolution 1

The purpose of Resolution 1 is to ratify the prior placement of 2,800,000 fully paid ordinary shares allotted and issued on 8 April 2015 at \$0.035 per share which raised a total of \$98,000 before costs.

Listing Rule 7.4

Listing Rule 7.4 applies to the placement shares already issued and now the subject of Resolution 1, and provides for the Company to obtain subsequent approval to an issue of securities provided that issue did not breach Listing Rule 7.1, which is the case. Shareholder approval to this Resolution will preserve the Company's ability to issue up to 15% of its issued capital without seeking Shareholder approval.

RESOLUTION 2 - Approval of conversion of Convertible Loans

On 2 April 2015 the Company announced a fund raising which included an unsecured loan ("the Convertible Loan") of circa \$490,000, capable of conversion into fully paid ordinary shares at a conversion rate of \$0.035 per share (circa 14,000,000 shares subject to rounding up), subject to shareholder approval of the conversion. The Convertible Loan participants are non-related sophisticated investors introduced by Patersons Securities Limited and, as announced, the funds raised are being used for the Company to identify new opportunities, working capital and costs of the issue. The Convertible Loan will be documented in the form of convertible loans issued to each of the participants, and is subject to standard conditions for a facility of this type in the circumstances including:

- An interest rate of 12% per annum;
- If approval to convert is not obtained at the next EGM following settlement (ie this meeting), the Convertible Loan will be repayable no later than 10 days after the date of the EGM; and
- In the event that approval to convert is granted, the Company must immediately apply to the ASX for quotation of the resulting shares.

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Purpose of this Resolution

The purpose of this resolution is to obtain Shareholder approval for the conversion of the Convertible Loan totalling circa \$490,000 by the issue to the lenders of circa 14,000,000 shares (subject to rounding up) at an issue price of \$0.035 each.

Shareholder approval to this Resolution will also preserve the Company's ability to issue up to 15% of its issued capital without seeking Shareholder approval.

Listing Rule 7.1

Listing Rule 7.1 broadly provides, subject to certain exceptions, that a company may not issue or agree to issue securities which represent more than 15% of the company's issued capital, calculated according to the requirements of Listing Rule 7.1, without obtaining Shareholder approval, and none of the exceptions under Listing Rule 7.2 apply to this issue. If this Resolution is approved the number of securities to be issued as a result will be circa 14,000,000 shares (subject to rounding up), representing 33.6% of the then issued capital, assuming prior Resolution 1 above is approved and allowing for completion of the non-renounceable rights issue due around the time of this meeting. Table 1 below details the securities on issue prior and post this Resolution, subject to rounding up:

Table 1 – Securities on issue prior and post Resolution 2

Security	Prior Resolution 2	Resolution 2 issue	Post Resolution 2
Shares	41,609,886	14,000,000	55,609,886
Quoted options ex \$4.40 exp 1/03/2016	1,391,730	-	1,391,730
Quoted options ex \$0.44 exp 17/11/2017	4,000,047	-	4,000,047
Unquoted options ex \$6.60 exp 30/04/2016	113,637	-	113,637

The conversion securities i.e the circa 14,000,000 ordinary shares, (subject to approval) will be issued within 1 month of the date of this meeting (in any case no later than 3 months after the Meeting) and the Company will immediately apply for quotation of the shares. Based on advice provided to it, the Company understands that no control issues will arise as a result of the conversion.

Listing Rule 7.3

In accordance with Listing Rule 7.3 the following information is provided in relation to the proposed issue of the securities the subject of this Resolution:

- a) **The maximum number of securities the entity is to issue**
The maximum number of securities to be issued is circa 14,000,000 shares (subject to rounding up).
- b) **The date by which the entity will issue the securities**
The securities will be issued within one month of the date of this Meeting but in any event no later than three months after the Meeting.
- c) **The issue price of the securities**
The conversion price is \$0.035 each.
- d) **The names of the allottees**
The Convertible Loan participants are non-related sophisticated investors introduced by Patersons Securities Limited.
- e) **The terms of the securities**
All shares issued will be fully paid ordinary shares that rank equally in all respects with the existing fully paid ordinary shares.
- f) **The intended use of the funds raised**
As announced on 2 April 2015 the funds are being used for the Company to identify new opportunities, working capital and costs of the issue.

The Chairman of the Meeting will be casting undirected proxies in favour of all the above Resolutions. All Directors of the Company will be voting in favour of all the above Resolutions and unanimously recommend that all Members also vote in favour of all the above Resolutions.



Red Gum Resources Limited
ABN 66 119 641 986

Lodge your vote:



Online:

www.investorvote.com.au



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

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For all enquiries call:

(within Australia) 1300 556 161
(outside Australia) +61 3 9415 4000

000001 000 RGX
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form



Vote online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I9999999999

PIN: 99999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



For your vote to be effective it must be received by 11:30am (Sydney time) Tuesday 19 May 2015

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form →**

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Red Gum Resources Limited hereby appoint

☐

the Chairman
of the Meeting **OR**



PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

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 to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Extraordinary General Meeting of Red Gum Resources Limited to be held at City Tattersalls Club, The Sydney Room, Level 2, 194-204 Pitt Street, Sydney NSW on Thursday, 21 May 2015 at 11:30am (Sydney time) and at any adjournment or postponement of that meeting.

STEP 2 Items of Business



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

	For	Against	Abstain
1 Ratification of prior share placement in April 2015	☐	☐	☐
2 Approval of conversion of Convertible Loans	☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date / /

RGX

999999A

Computershare +