

## DESPATCH OF NOTICE OF GENERAL MEETING

Paringa Resources Limited (**ASX:PNL** | **OTCQX:PNGZF**) advises that the attached revised notice of general meeting has been despatched to shareholders. This revised notice of general meeting corrects an error to the record date referred to on page 1 of the notice of general meeting released to ASX on 26 April 2017.



PARINGA RESOURCES LIMITED

ACN 155 933 910

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## NOTICE OF GENERAL MEETING

**A General Meeting of the Company will be held at the Conference Room, Ground Floor, BGC Centre, 28 The Esplanade, Perth, Western Australia on Tuesday 30 May 2017 at 11:00am (WST).**

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*This Notice of 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.*

***Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on (08) 9322 6322.***

## **NOTICE OF GENERAL MEETING**

Notice is hereby given that a general meeting of Shareholders of Paringa Resources Limited (**Company**) will be held at the Conference Room, Ground Floor, BGC Centre, 28 The Esplanade, Perth, Western Australia on Tuesday 30 May 2017 at 11:00am (WST) (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations* 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on 28 May 2017 at 5.00 pm (WST).

Terms and abbreviations used in this Notice and the Explanatory Memorandum are defined in Schedule 1 of the Explanatory Memorandum.

## **AGENDA**

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### **1. Resolution 1 – Authorise Issue of Placement Shares**

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

*“That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve and authorise the issue of up to 57,326,542 Shares at an issue price of A\$0.52 each, on the terms and conditions in the Explanatory Memorandum.”*

#### **Voting Exclusion**

The Company will disregard any votes cast on this Resolution by a person who may participate in the Placement and a person who might obtain a benefit if this Resolution is passed, except a benefit solely in the capacity of a holder of Shares, and any associate of that person (or those persons).

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman 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.

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### **2. Resolution 2 – Authorise Issue of Placement Shares to Mr Ian Middlemas**

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

*“That, subject to Resolution 1 being passed, pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders authorise and approve Mr Ian Middlemas and/or his nominees to participate in the issue of the Placement Shares the subject of Resolution 1, to the extent of up to 480,769 Shares each at an issue price of A\$0.52 each, on the terms and conditions in the Explanatory Memorandum.”*

#### **Voting Exclusion**

The Company will disregard any votes cast on this resolution by Mr Ian Middlemas or his associates.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman 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.

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### **3. Resolution 3 – Authorise Issue of Placement Shares to Mr Todd Hannigan**

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

*"That, subject to Resolution 1 being passed, pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders authorise and approve Mr Todd Hannigan and/or his nominees to participate in the issue of the Shares the subject of Resolution 1, to the extent of up to 480,769 Shares each at an issue price of A\$0.52 each, on the terms and conditions in the Explanatory Memorandum."*

#### **Voting Exclusion**

The Company will disregard any votes cast on this resolution by Mr Todd Hannigan or his associates.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman 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.

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### **4. Resolution 4 – Authorise Issue of Placement Shares to Mr Thomas Todd**

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

*"That, subject to Resolution 1 being passed, pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders authorise and approve Mr Thomas Todd and/or his nominees to participate in the issue of the Shares the subject of Resolution 1, to the extent of up to 480,769 Shares each at an issue price of A\$0.52 each, on the terms and conditions in the Explanatory Memorandum."*

#### **Voting Exclusion**

The Company will disregard any votes cast on this resolution by Mr Thomas Todd or his associates.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman 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.

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### **5. Resolution 5 – Authorise Issue of Placement Shares to Mr Jonathan Hjelte**

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

*"That, subject to Resolution 1 being passed, pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders authorise and approve Mr Jonathan and/or his nominees to participate in the proposed issue of the Shares the subject of Resolution 1, to the extent of up to 105,001 Shares each at an issue price of A\$0.52 each, on the terms and conditions in the Explanatory Memorandum."*

#### **Voting Exclusion**

The Company will disregard any votes cast on this resolution by Mr Jonathan Hjelte or his associates.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman 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.

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## 6. Resolution 6 – Ratify Issue of Prior Placement Shares

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

*"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue of:*

(a) 23,211,504 Shares under Listing Rule 7.1; and

(b) 21,385,034 Shares under Listing Rule 7.1A,

*at an issue price of A\$0.52 each, on the terms and conditions in the Explanatory Memorandum."*

### Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person (and any associate of such a person) who participated in the issue of the Prior Placement Shares.

However, the Company will not disregard a vote if:

(a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or

(b) it is cast by the Chairman 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.

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Dated 26 April 2017

**BY ORDER OF THE BOARD**



**GREG SWAN**  
Company Secretary

## **EXPLANATORY MEMORANDUM**

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### **1. Introduction**

This Explanatory Memorandum has been prepared for the information of Shareholders of the Company in connection with the business to be conducted at the Meeting to be held at the Conference Room, Ground Floor, BGC Centre, 28 The Esplanade, Perth, Western Australia on Tuesday 30 May 2017 at 11:00am (WST).

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 in the Notice.

This Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

|             |                                                                                                                                             |
|-------------|---------------------------------------------------------------------------------------------------------------------------------------------|
| Section 2:  | Action to be taken by Shareholders                                                                                                          |
| Section 3:  | Background                                                                                                                                  |
| Section 4:  | Resolution 1 – Authorise Issue of Placement Shares                                                                                          |
| Section 5:  | Resolutions 2 – 5 (inclusive) – Authorise Issue of Placement Shares to Messrs Ian Middlemas, Todd Hannigan, Thomas Todd and Jonathan Hjelte |
| Section 6:  | Resolution 6 – Ratify Issue of Prior Placement Shares                                                                                       |
| Schedule 1: | Definitions                                                                                                                                 |

The Schedules and Proxy Form are located at the end of the Explanatory Memorandum.

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### **2. Action to be taken by Shareholders**

Shareholders should read this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

#### **2.1 Proxies**

A Proxy Form is attached to the Notice. 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 Meeting 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 Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting 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.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

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### 3. Background

On 11 April 2017, the Company announced plans to issue up to 101,923,080 Shares to raise A\$53.0 million before costs (**Placement**). The Placement will be completed in two tranches as follows:

- (a) 44,596,538 Shares (**Prior Placement Shares**) at an issue price of A\$0.52 per Share to raise A\$23,190,200 before costs that were issued on 21 April 2017 pursuant to the Company's existing capacity under Listing Rules 7.1 and 7.1A. Resolution 6 seeks Shareholder approval to ratify the issue of the Prior Placement Shares; and
- (b) 57,326,542 Shares (**Placement Shares**) at an issue price of A\$0.52 per Share to raise A\$29,809,802 before costs subject to Shareholder approval. Resolution 1 seeks Shareholder approval for the issue of the Placement Shares.

Subject to Shareholder approval, certain Directors of the Company, being Messrs Ian Middlemas, Todd Hannigan, Thomas Todd, and Jonathan Hjelte, plan to participate in the Placement by subscribing for a total of 1,547,308 Placement Shares to raise A\$804,600 before costs. Resolutions 2 - 5 (inclusive) seek approval for these Directors to participate in the Placement.

Proceeds from the Placement will be used to construct the Company's Poplar Grove Coal Mine located in the Western Kentucky region of the Illinois Basin in the United States and for working capital.

The Placement completes the funding required for the development of Poplar Grove Mine and, together with the recently announced US\$20 million debt facility from Macquarie Bank Limited (which is subject to execution of formal documentation and satisfaction of a number of conditions precedent) and existing cash reserves, the Company will be fully funded to develop the Poplar Grove Mine.

Argonaut acted as Lead Manager to the Placement with Hartleys Limited and Curran & Co acting as Co-Managers to the Placement. The issue price of A\$0.52 represents a 16% discount to the last closing price on the ASX prior to the announcement of the Placement of A\$0.62 and a 7% discount to the volume weighted average price of Paringa Shares over the 30 trading days prior to announcement of the Placement of A\$0.56.

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### 4. Resolution 1 – Authorise Issue of Placement Shares

#### 4.1 General

Resolution 1 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of 57,326,542 Shares at an issue price of A\$0.52 each (**Placement Shares**) to raise gross proceeds of A\$29,809,802 on the terms and conditions in this Explanatory Memorandum.

Further details of the issue of Placement Shares is outlined above in Section 3.

Resolution 1 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 1.

#### 4.2 Listing Rule 7.1

In accordance with Listing Rule 7.1, the Company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period.

The effect of passing Resolution 1 will be to allow the Directors to issue the Placement Shares during the three month period after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

#### 4.3 Specific Information Required by Listing Rule 7.3

For the purposes of Shareholder approval of the issue of the Placement Shares and the requirements of Listing Rule 7.3 the following information is provided:

- (a) the maximum number of securities the Company intends to issue under Resolution 1 is 57,326,542 Shares;

- (b) the Company will issue the Placement Shares no later than 3 months after the date of the Meeting (or such longer period of time as ASX may in its discretion allow) and it is intended that issue of the Placement Shares will occur progressively;
- (c) the Placement Shares will be issued at A\$0.52 per Share;
- (d) the Placement Shares will be issued to sophisticated and professional investors (pursuant to sections 708(8) and 708(11) of the Corporations Act) and who are not related parties or associates of related parties of the Company, save for any Placement Shares issued to Messrs Messrs Middlemas, Hannigan, Todd and Hjelte pursuant to Resolutions 2 - 5 (inclusive);
- (e) the terms of the Placement Shares to be issued pursuant to Resolution 1 are fully paid ordinary shares and will rank equally in all respects with the Company's existing Shares on issue;
- (f) the funds raised will be used to construct the Company's Poplar Grove Mine located in the Western Kentucky region of the Illinois Basin in the United States and for working capital; and
- (g) a voting exclusion statement is included in the Notice.

#### **4.4 Directors recommendation**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1.

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## **5. Resolution 2 – 5 (inclusive) – Authorise Issue Placement Shares to Messrs Middlemas, Hannigan, Todd and Hjelte**

### **5.1 General**

Resolution 2 seeks Shareholder approval pursuant to Listing Rule 10.11 for the issue of 480,769 Placement Shares each at an issue price of A\$0.52 to Mr Ian Middlemas and/or his nominees to raise gross proceeds of A\$250,000.

Resolution 3 seeks Shareholder approval pursuant to Listing Rule 10.11 for the issue of 480,769 Placement Shares each at an issue price of A\$0.52 to Mr Todd Hannigan and/or his nominees to raise gross proceeds of A\$250,000.

Resolution 4 seeks Shareholder approval pursuant to Listing Rule 10.11 for the issue of 480,769 Placement Shares each at an issue price of A\$0.52 to Mr Todd Hannigan and/or his nominees to raise gross proceeds of A\$250,000.

Resolution 5 seeks Shareholder approval pursuant to Listing Rule 10.11 for the issue of Placement 105,001 Shares each at an issue price of A\$0.52 to Mr Jonathan Hjelte and/or his nominees to raise gross proceeds of A\$54,601.

The Placement was announced on 11 April 2017. The terms and conditions upon which Messrs Middlemas, Hannigan, Todd and Hjelte will subscribe for the Placement Shares will be on the same terms as other investors in the Placement.

Resolutions 2 - 5 (inclusive) are ordinary resolutions.

The Chairman intends to exercise all available proxies in favour of Resolutions 2 - 5 (inclusive).

### **5.2 Section 208 of Corporations Act**

In accordance with section 208 of the Corporations Act, to give a financial benefit to a related party, 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 210 of the Corporations Act applies. The Placement Shares will be issued to Messrs Middlemas, Hannigan, Todd and Hjelte on the same terms as non-related party participants in the Placement and as such the giving of the financial benefit to Messrs Middlemas, Hannigan, Todd and Hjelte will be on arm's length terms.

### 5.3 Listing Rule 10.11

In accordance with Listing Rule 10.11, the Company must not issue securities to a related party of the Company unless it obtains Shareholder approval.

Messrs Middlemas, Hannigan, Todd and Hjelte are related parties of the Company as they are Directors.

### 5.4 Specific information required by Listing Rule 10.13

Listing Rule 10.13 requires that the following information be provided to Shareholders:

- (a) up to 1,547,308 Placement Shares will be issued to Messrs Middlemas, Hannigan, Todd and Hjelte and/or their respective nominees;
- (b) the maximum number of securities the Company can issue is:

| Director        | No. of Placement Shares |
|-----------------|-------------------------|
| Ian Middlemas   | 480,769                 |
| Todd Hannigan   | 480,769                 |
| Thomas Todd     | 480,769                 |
| Jonathan Hjelte | 105,001                 |

- (c) the Company will issue up to 1,547,308 Placement Shares to Messrs Middlemas, Hannigan, Todd or Hjelte and/or their respective nominees no later than one month after the date of the Meeting (or such longer period of time as ASX may in its discretion allow);
- (d) the Placement Shares to be issued to Messrs Middlemas, Hannigan, Todd or Hjelte and/or their respective nominees will each be allotted at an issue price of A\$0.52 per Placement Share;
- (e) the Placement Shares to be issued to Messrs Middlemas, Hannigan, Todd or Hjelte and/or their respective nominees are ordinary fully paid shares and rank equally with the Company's existing listed shares;
- (f) a voting exclusion statement is included in the Notice for each of Resolutions 2 - 5 (inclusive); and
- (g) the funds raised from the issue of the Placement Shares to Messrs Middlemas, Hannigan, Todd or Hjelte will be used to construct the Company's Poplar Grove Mine located in the Western Kentucky region of the Illinois Basin in the United States and for working capital.

### 5.5 Directors recommendation

The Directors (other than Ian Middlemas) recommend that Shareholders vote in favour of Resolution 2.

The Directors (other than Todd Hannigan) recommend that Shareholders vote in favour of Resolution 3.

The Directors (other than Thomas Todd) recommend that Shareholders vote in favour of Resolution 4.

The Directors (other than Jonathan Hjelte) recommend that Shareholders vote in favour of Resolution 5.

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## 6. Resolution 6 – Ratification of Issue of Prior Placement Shares

### 6.1 General

Resolution 6 seeks Shareholder ratification pursuant to Listing Rule 7.4 of the issue of the 44,596,538 Prior Placement Shares at an issue price of A\$0.52 each to institutional and sophisticated investors who are not related parties or associates of related parties of the Company to raise gross proceeds of A\$23,190,200.

The number of Prior Placement Shares that were issued pursuant to the Company's capacity under Listing Rule 7.1 was 23,211,504 and the number of Prior Placement Shares that were issued pursuant to the Company's capacity under Listing Rule 7.1A was 21,385,034.

Further details of the issue of Prior Placement Shares is outlined above in Section 3.

Resolution 6 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 6.

## **6.2 ASX Listing Rules**

Listing Rule 7.1 provides that the Company is entitled to issue Equity Securities up to 15% of its issued share capital through placements during any 12-month period, without needing prior shareholder approval (**15% Placement Capacity**).

Listing Rule 7.1A provides that, in addition to its 15% Placement Capacity, the Company is entitled to issue Equity Securities up to 10% of its issued share capital through placements over a 12-month period after the Company's Annual General Meeting, without needing prior shareholder approval (**10% Placement Capacity**).

Listing Rule 7.4 provides that if the Company in general meeting ratifies the previous issue of Equity Securities made pursuant to Listing Rule 7.1 or Listing Rule 7.1A (and provided that the previous issue did not breach Listing Rule 7.1 or Listing Rule 7.1A) those Equity Securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1 or Listing Rule 7.1A.

The effect of passing Resolution 6 will be to allow the Company to retain the flexibility to issue equity securities in the future up to the 15% Placement Capacity set out in Listing Rule 7.1 and the 10% Placement Capacity set out in Listing Rule 7.1A, without the requirement to obtain prior Shareholder approval.

## **6.3 Specific information required by Listing Rule 7.5**

In accordance with Listing Rule 7.5, information is provided in relation to the Prior Placement Shares as follows:

- (a) on 21 April 2017, the Company issued the Prior Placement Shares to institutional and sophisticated investors in Australia, United Kingdom, Germany, and Hong Kong who are not related parties or associates of related parties of the Company on the following basis:
  - (i) 23,211,504 Prior Placement Shares were issued pursuant to Listing Rule 7.1; and
  - (ii) 21,385,034 Prior Placement Shares were issued pursuant to Listing Rule 7.1A.
- (b) the Prior Placement Shares were issued for A\$0.52 per Share;
- (c) the Prior Placement Shares issued were all fully paid ordinary shares in the capital of the Company and were issued on the same terms and conditions as the Company's existing Shares;
- (d) the funds raised from the issue of the Prior Placement Shares will be used to construct the Company's Poplar Grove Mine located in the Western Kentucky region of the Illinois Basin in the United States and for working capital; and
- (e) a voting exclusion statement is included in the Notice for Resolution 6.

## **6.4 Directors recommendation**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 6.

## Schedule 1 - Definitions

In this Explanatory Memorandum and Notice

**ASIC** means Australian Securities and Investments Commission.

**ASX** means ASX Limited.

**Board** means the board of Directors.

**Chairman** means the person appointed to chair the Meeting convened by the Notice.

**Closely Related Party** means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Director** means a director of the Company.

**Explanatory Memorandum** means the explanatory memorandum attached to the Notice.

**Listing Rules** means the listing rules of ASX.

**Key Management Personnel** means persons 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.

**Meeting** has the meaning given in the introductory paragraph of the Notice.

**Notice** means this notice of meeting.

**Paringa and Company** means Paringa Resources Limited ABN 44 155 933 010.

**Placement** has the meaning given to that term in Section 3.

**Placement Shares** has the meaning given to that term in Section 3.

**Prior Placement Shares** has the meaning given to that term in Section 3.

**Poplar Grove Mine** means the Company's proposed Poplar Grove Mine located in Kentucky, USA.

**Proxy Form** means the proxy form attached to the Notice.

**Resolution** means a resolution contained in this Notice.

**Schedule** means a schedule to this Notice.

**Section** means a section of the Explanatory Memorandum.

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

**Shareholder** means a shareholder of the Company.

**WST** means Western Standard Time, being the time in Perth, Western Australia.

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

**PROXY FORM** (Please complete both pages and sign where indicated overleaf)

The Company Secretary  
Paringa Resources Limited

**By delivery:**  
Level 9, 28 The Esplanade  
PERTH WA 6000

**By post:**  
PO Box 2519  
PERTH WA 6831

**By facsimile:**  
+61 8 9322 6558

**Name of Shareholder:**

**Address of Shareholder:**

**Number of Shares entitled to vote:**

Please mark ☒ to indicate your directions. Further instructions are provided overleaf. Proxy appointments will only be valid and accepted by the Company if they are made and received no later than 48 hours before the meeting.

**Step 1 – Appoint a Proxy to Vote on Your Behalf**

I/We being Shareholder/s of the Company hereby appoint:

**The Chairman  
(mark box)**

☐

**OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy

or failing the person/body corporate named, or if no person/body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf, including 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 General Meeting of the Company to be held on Tuesday 30 May 2017 at 11:00am (WST) at the Conference Room, Ground Floor, BGC Centre, 28 The Esplanade, Perth Western Australia and at any adjournment or postponement of that Meeting.

If 2 proxies are appointed, the proportion or number of votes that this proxy is authorised to exercise is [ ]% of the Shareholder's votes / [ ] of the Shareholder's votes. (An additional Proxy Form will be supplied by the Company, on request.)

**Important – If the Chairman is your proxy or is appointed your proxy by default**

The Chairman intends to vote all available proxies in favour of all Resolutions. If the Chairman is your proxy or is appointed your proxy by default, unless you indicate otherwise by ticking either the 'for', 'against' or 'abstain' box in relation to a Resolution, you will be expressly authorising the Chairman to vote in accordance with the Chairman's voting intentions on that Resolution even if that Resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel.

**Step 2 – Instructions as to Voting on Resolutions**

The proxy is to vote for or against the Resolution referred to in the Notice as follows:

|              |                                                           | For | Against | Abstain |
|--------------|-----------------------------------------------------------|-----|---------|---------|
| Resolution 1 | Authorise Issue of Placement Shares                       |     |         |         |
| Resolution 2 | Authorise Issue of Placement Shares to Mr Ian Middlemas   |     |         |         |
| Resolution 3 | Authorise Issue of Placement Shares to Mr Todd Hannigan   |     |         |         |
| Resolution 4 | Authorise Issue of Placement Shares to Mr Thomas Todd     |     |         |         |
| Resolution 5 | Authorise Issue of Placement Shares to Mr Jonathan Hjelte |     |         |         |
| Resolution 6 | Ratify Issue of Prior Placement Shares                    |     |         |         |

**Authorised signature/s**

This section **must** be signed in accordance with the instructions below to enable your voting instructions to be implemented.

Individual or Shareholder 1

Sole Director and Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

**Proxy Notes:**

A Shareholder entitled to attend and vote at the general meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at that general meeting. If the Shareholder is entitled to cast 2 or more votes at the general meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that general meeting, the representative of the body corporate to attend the general meeting must produce the Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Company's share registry.

You must sign this form as follows in the spaces provided:

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

Power of Attorney:              if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.

Companies:                        a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the general meeting the appropriate 'Certificate of Appointment of Representative' should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received by facsimile transmission at the Perth office of the Company (Level 9, 28 The Esplanade, Perth, WA, 6000, or by post to PO Box Z5083, Perth, WA, 6831 or Facsimile (08) 9322 6558 if faxed from within Australia or +618 9322 6558 if faxed from outside Australia) not less than 48 hours prior to the time of commencement of the Meeting (WST).