



# JATENERGY LIMITED

ABN 31 122 826 242

## NOTICE OF GENERAL MEETING

Time: 2.00pm

Date: 12 December 2019

Place: 101 Rathdowne Street, Carlton, VIC.



**Jatenergy Limited**  
ABN 31 122 826 242

Office B, Suite C303, 521 Toorak Road  
TOORAK VIC 3142 AUSTRALIA

Postal Address:  
PO Box 1059  
HAWKS BURN VIC 3142

T: +61 488 248 138  
E: [admin@jatenergy.com](mailto:admin@jatenergy.com)

[www.jatenergy.com](http://www.jatenergy.com)

## **IMPORTANT INFORMATION**

### **A. TIME AND PLACE OF MEETING AND HOW TO VOTE**

The General Meeting of Shareholders of Jatenergy Limited to which this Notice of Meeting relates will be held at 2.00 pm (Melbourne time) on 12 December 2019 at 101 Rathdowne Street, Carlton VIC.

### **B. YOUR VOTE IS IMPORTANT**

The business of the General Meeting affects your shareholding and your vote is important.

### **C. VOTING IN PERSON**

To vote in person, attend the General Meeting on the date and at the time and place set out above.

### **D. VOTING ELIGIBILITY**

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered as at 7.00pm (Melbourne time) on 10th December 2019.

### **E. VOTING BY PROXY**

You may appoint any person to attend the Meeting and vote as your proxy, including the Chair. A proxy is not required to be a shareholder of the Company. A proxy form is enclosed with this Notice.

Unless the proxy is required by law to vote, the proxy may decide whether or not to vote on any particular item of business. If the appointment of proxy directs the proxy to vote on an item of business in a particular way, the proxy may only vote on that item as directed. Any undirected proxies on a given resolution may be voted by the appointed proxy as they choose, subject to the voting exclusions described after each resolution.

A shareholder entitled to cast two or more votes may appoint two proxies. If you appoint two proxies, you may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number of votes is specified, each proxy may exercise half of your votes (disregarding fractions).

To vote by proxy, please complete and sign the proxy form enclosed and send the proxy form to:

Security Transfer Australia Pty Ltd  
PO BOX 52 Collins Street West VIC 8007

so that it is received not later than 2.00pm (Melbourne time) on 10 December 2019.

**Proxy forms received later than this time will be invalid.**

If the proxy form is signed by an attorney, the power of attorney or a certified copy of it must be sent with the proxy form.

**Chair's intention**

The Chair intends to vote all valid undirected proxies received in favour of each resolution subject to the voting exclusions after each resolution.

**Privacy**

Chapter 2C of the Corporations Act requires information about you (including your name, address and details of the shares you hold) to be included in the Company's public register of members. This information must continue to be included in the public register if you cease to hold shares. These statutory requirements are not altered by the *Privacy Act 1988 (Cth)*. Information is collected to administer your shareholding by Security Transfer Registrars on behalf of the Company. Security Transfer Registrars privacy policy is available at [www.securitytransfer.com.au](http://www.securitytransfer.com.au) .

## **NOTICE OF GENERAL MEETING**

Notice is given that the General Meeting of Shareholders of Jatenergy Limited (the "Company") will be held at 2.00 pm (Melbourne time) on 12 December 2019 at 101 Rathdowne Street, Carlton VIC.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the General Meeting. The Explanatory Statements and the Proxy Form are part of this Notice of Meeting.

## **AGENDA**

### **1. RESOLUTION 1 – ISSUE OF EARNOUT SHARES TO VENDORS OF GREEN FOREST INTERNATIONAL PTY LIMITED**

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

*"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, the issue and allotment of 50,557,939 Pre-consolidation Shares or 10,111,588 Post-consolidation Shares in the Company as set out in the Explanatory Statement is approved".*

#### **Voting Restriction**

The Company will disregard any votes cast in favour of Resolution 1 by or on behalf of Yaoan CHEN and Yan LI or any of their associates. However, the Company need not disregard a vote cast on the Resolution if:

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

### **2. RESOLUTION 2 – ISSUE OF EARNOUT SHARES TO VENDORS OF SUNNYA PTY LIMITED**

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

*"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, the issue and allotment of 16,025,641 Pre-consolidation Shares or 3,206,128 Post-consolidation Shares in the Company as set out in the Explanatory Statement is approved".*

#### **Voting Restriction**

The Company will disregard any votes cast in favour of Resolution 2 by or on behalf of Yanxia Lu and Yinghan He or any of their associates. However, the Company need not disregard a vote cast on the Resolution if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) 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  
WILTON YAO  
MANAGING DIRECTOR**

## **EXPLANATORY STATEMENT**

This Explanatory Statement has been prepared for the information of the Shareholders of the Company in connection with the business to be conducted at the General Meeting to be held on 12 December 2019 at 101 Rathdowne Street, Carlton VIC.

The purpose of this Explanatory Statement is to provide information that the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

### **1. RESOLUTION 1 – ISSUE OF EARNOUT SHARES TO VENDORS OF GREEN FOREST INTERNATIONAL PTY LIMITED**

In 2018, JAT acquired 50% of the issued capital of Green Forest from its owners, Yaoan CHEN and Yan LI (the “Vendors”). As set out in the notice of meeting of JAT shareholders held on 18 July 2018, the consideration payable pursuant to the share purchase agreement was a combination of cash and JAT Shares to be issued to the Vendors. The earnout payment of \$4 million would be payable if the net profit before interest and tax (“NPBIT”) of Green Forest for the year ended 30 June 2019 exceeded \$1.8 million.

The NPBIT of Green Forest for the year ended 30 June 2019 has been determined as \$2,133,679. Accordingly, the earnout payment of \$2 million in cash and \$2 million in JAT Shares is payable plus an additional \$50,630 in accrued interest to be paid in shares. A provision for the total amount (less interest) of the earnout payment was included in the audited accounts for the year ended 30 June 2019.

The issue price of the Shares is determined as 70% of the VWAP for the 20 trading days prior to 27 September 2019. That amount has been calculated as 4.056c per Share and the number of Shares to be issued is 50,557,939.

At the annual general meeting of JAT to be held on 21 November 2019, it is proposed that the Shares in JAT will be consolidated on a 5:1 basis. Accordingly, assuming the consolidation takes place, the number of Post-consolidation Shares to be issued pursuant to this resolution will be 10,111,588 at an issue price of 20.28c per Share.

JAT is seeking shareholder approval for the issue of the share component of the earnout payment. In the event that shareholders do not approve the issue of the Shares at the general meeting, JAT is required to make a cash payment of equivalent to 70% of VWAP for the previous 20 trading days prior to 27 September 2019.

JAT has paid the \$2 million cash component of the earnout payment to the Vendors.

### **ASX Listing Rule Information**

The information required by listing rule 7.3 is as follows:

1. The maximum number of Shares to be issued on Completion is 50,557,939 Pre-consolidation Shares or 10,111,588 Post-consolidation Shares.
2. The Shares will be issued on the same day no later than three months after the date of the meeting.
3. The issue price of the Pre-consolidation Shares is 4.056c per Share and the issue price of the Post-consolidation Shares is 20.28c per Share.

4. The Shares will be issued to Yaoan CHEN and Yan LI in equal proportions.
5. The Shares to be issued will be fully paid ordinary Shares and will rank equally with all existing Shares on issue.
6. The Shares will be issued as part consideration for the acquisition of 50% of Green Forest International Pty Limited. No funds will be raised from the issue of the Shares.

## **2. RESOLUTION 2 – ISSUE OF EARNOUT SHARES TO VENDORS OF SUNNYA PTY LIMITED**

### **(a) Background**

In 2018, JAT acquired 51% of the issued capital of Sunnya Pty Limited (“Sunnya”) from its owners, Yanxia Lu and Yinghan He (the “Sunnya Vendors”). As set out in the notice of meeting of JAT shareholders held on 10 October 2018, the consideration payable pursuant to the share purchase agreement was a combination of cash and JAT Shares to be issued to the Sunnya Vendors. The earnout payment of \$1.25 million would be payable if the net profit before interest and tax (“NPBIT”) of Sunnya for the year ended 30 June 2019 was between \$1.9 million and \$2.4 million.

The NPBIT of Sunnya for the year ended 30 June 2019 has been determined as \$2,284,228. Accordingly, the earnout payment of \$600,000 in cash and \$650,000 in JAT Shares is payable. A provision for the total amount of the earnout payment was included in the audited accounts for the year ended 30 June 2019.

The issue price of the Shares is determined as 70% of the VWAP for the 20 trading days prior to 27 September 2019. That amount has been calculated as 4.056c per Share and the number of Shares to be issued is 16,025,641.

At the annual general meeting of JAT to be held on 21 November 2019, it is proposed that the Shares in JAT will be consolidated on a 5:1 basis. Accordingly, assuming the consolidation takes place, the number of Shares to be issued pursuant to this resolution will be 3,205,128 at an issue price of 20.28c per Share.

JAT is seeking shareholder approval for the issue of the share component of the earnout payment. In the event that shareholders do not approve the issue of the Shares at the general meeting, JAT is required to make a cash payment of equivalent to 70% of VWAP for the previous 20 trading days prior to the issue date.

JAT has paid the \$600,000 cash component of the earnout payment to the Sunnya Vendors.

### **ASX Listing Rule Information**

The information required by listing rule 7.3 is as follows:

1. The maximum number of Shares to be issued on Completion is 16,025,641 Pre-consolidation Shares or 3,205,128 Post-consolidation Shares.

2. The Shares will be issued on the same day no later than three months after the date of the meeting.
3. The issue price of the Pre-consolidation Shares is 4.056c per share and the issue price of the Post-consolidation Shares is 20.28c per Share.
4. The Shares will be issued to Yanxia Lu and Yinghan He in equal proportions.
5. The Shares to be issued will be fully paid ordinary Shares and will rank equally with all existing Shares on issue.
6. The Shares will be issued as part consideration for the acquisition of 51% of Sunnya Pty Limited. No funds will be raised from the issue of the Shares.

### **Schedule 1 - Definitions**

In this Explanatory Statement and Notice of General Meeting:

**Company** means Jatenergy Limited.

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

**Explanatory Statement** means the explanatory statement to the Notice.

**JAT** means Jatenergy Limited ACN122 826 242.

**Notice** means this Notice of General Meeting.

**Post-consolidation Share** means Shares after the completion of the share consolidation proposed in the notice of annual general meeting to be held on 21 November 2019.

**Pre-consolidation Share** means Shares prior to the completion of the share consolidation proposed in the notice of annual general meeting to be held on 21 November 2019.

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

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



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# JATENERGY LIMITED

ACN: 122 826 242

**REGISTERED OFFICE:**SUITE 303 OFFICE B  
521 TOORAK ROAD  
TOORAK VIC 3142

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**SHARE REGISTRY:**

Security Transfer Australia Pty Ltd

**All Correspondence to:**PO BOX 52  
Collins Street West VIC 8007  
Suite 913, Exchange Tower  
530 Little Collins Street  
Melbourne VIC 3000  
T: 1300 992 916  
E: registrar@securitytransfer.com.au  
W: www.securitytransfer.com.au

Code:

JAT

Holder Number:

## PROXY FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

**VOTE  
ONLINE**Lodge your proxy vote securely at [www.securitytransfer.com.au](http://www.securitytransfer.com.au)

1. Log into the Investor Centre using your holding details.
2. Click on "Proxy Voting" and provide your Online Proxy ID to access the voting area.

### SECTION A: Appointment of Proxy

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

 The meeting chairperson**OR**

or failing the person named, or if no person is named, the Chairperson 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, as the Proxy sees fit) at the General Meeting of the Company to be held at 2:00pm (Melbourne Time) on Thursday 12 December 2019 at 101 Rathdowne Street, Carlton VIC and at any adjournment of that meeting.

### SECTION B: Voting Directions

Please mark "X" in the box to indicate your voting directions to your Proxy. The Chairperson of the Meeting intends to vote undirected proxies in FAVOUR of all the resolutions.

In exceptional circumstances, the Chairperson of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

**RESOLUTION**

1. ISSUE OF EARNOUT SHARES TO VENDORS OF GREEN FOREST INTERNATIONAL PTY LIMITED
2. ISSUE OF EARNOUT SHARES TO VENDORS OF SUNNYA PTY LIMITED

**For      Against      Abstain\***                        

If no directions are given my proxy may vote as the proxy thinks fit or may abstain. \* 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.

### SECTION C: Signature of Security Holder(s)

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder

Security Holder 2

Security Holder 3

Sole Director &amp; Sole Company Secretary

Director

Director/Company Secretary

**Proxies must be received by Security Transfer Australia Pty Ltd no later than 2.00pm (Melbourne Time) on Tuesday 10 December 2019.**

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JAT

JATPX2121219

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My/Our contact details in case of enquiries are:

Name:

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Number:

( 

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**1. NAME AND ADDRESS**

This is the name and address on the Share Register of the Company. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

**2. APPOINTMENT OF A PROXY**

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a shareholder of the Company.

**3. DIRECTING YOUR PROXY HOW TO VOTE**

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

**4. APPOINTMENT OF A SECOND PROXY**

You are entitled to appoint up to two (2) persons as 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 contacting the Company's share registry or you may photocopy this form.

To appoint a second Proxy you must:

- a) On each of the Proxy forms, state the percentage of your voting rights or 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 of your votes; and
- b) Return both forms in the same envelope.

**5. SIGNING INSTRUCTIONS**

**Individual:** where the holding is in one name, the Shareholder must sign.

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

**Power of Attorney:** to sign under Power of Attorney you must have already lodged this document with the Company's share registry. If you have not previously lodged this document for notation, 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 may sign alone. Otherwise this form must be signed by a Director jointly with either another Director or Company Secretary. Please indicate the office held in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

**6. LODGEMENT OF PROXY**

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Australia Pty Ltd no later than the date and time stated on the form overleaf. Any Proxy form received after that time will not be valid for the scheduled meeting.

The proxy form does not need to be returned to the share registry if the votes have been lodged online.

**Security Transfer Australia Pty Ltd**

<b>Online</b>	www.securitytransfer.com.au
<b>Postal Address</b>	PO BOX 52 Collins Street West VIC 8007
<b>Street Address</b>	Suite 913, Exchange Tower 530 Little Collins Street Melbourne VIC 3000
<b>Telephone</b>	1300 992 916
<b>Facsimile</b>	+61 8 9315 2233
<b>Email</b>	registrar@securitytransfer.com.au

**PRIVACY STATEMENT**

Personal information is collected on this form by Security Transfer Australia Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Australia Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.

