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**MEC RESOURCES LIMITED****ACN 113 900 020****NOTICE OF ANNUAL GENERAL MEETING**

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Notice is given that the Annual General Meeting will be held at:

**TIME:** 4.00 pm (AEDT)  
**DATE:** 25 November 2019  
**PLACE:** Boardroom Pty Ltd  
Level 12, 225 George St  
Sydney NSW 2000

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

***Shareholders are urged to attend or vote by lodging the Proxy Form enclosed with this Notice.***

*This Notice should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their stock broker, investment advisor, accountant, solicitor or other professional adviser prior to voting.*

*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 Shareholders at 7.00pm (AEDT) on 23 November 2019.*

***Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on +61 8 9217 2400***

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## BUSINESS OF THE MEETING

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### NOTICE OF ANNUAL GENERAL MEETING

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Notice is hereby given that the annual general meeting of shareholders of MEC Resources Limited (**Company**) will be held at Boardroom Pty Ltd, Level 12, 225 George St, Sydney NSW 2000 on 25 November 2019 commencing at 4.00pm (AEDT) (**Meeting**).

The Explanatory Statement provides additional information on matters to be considered at the Meeting. The Explanatory Statement 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 23 November 2019 at 7.00pm (AEDT).

Terms and abbreviations used in this Notice and the Explanatory Statement are defined in the Glossary.

The 2019 Annual Report of the Company is available online on the Company's web site at <https://www.mecresources.com.au/> or contact the Company Secretary on +61 8 9217 2400 to request a copy.

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### AGENDA

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#### 1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the Annual Report of the Company for the financial year ended 30 June 2019 together with the declaration of the Directors, the Director's Report, the Remuneration Report and the auditor's report.

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#### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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 section 250R(2) of the Corporations Act and for all other purposes, approval is given by the Shareholders for the adoption of the Remuneration Report as contained in the Annual Report for the financial year ended 30 June 2019 on the terms and conditions in the Explanatory Statement."*

**Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.**

**Voting Exclusion:** A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member,

regardless of the capacity in which the vote is cast.

However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
  - (i) does not specify the way the proxy is to vote on this Resolution; and
  - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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### 3. RESOLUTION 2 – RE-ELECTION OF MR ANDREW BALD

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

*“That, Mr Andrew Bald, having retired from his office as Director in accordance with clause 11.3 of the Constitution and ASX Listing Rule 14.4, and being eligible, having offered himself for election, be elected as a Director of the Company on the terms and conditions in the Explanatory Statement.”*

The Chair intends to vote all undirected proxies in favour of this Resolution.

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### 4. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF RIGHTS ISSUE SHORTFALL SHARES

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

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 224,680,600 Shares on the terms and conditions in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of, a person who participated in the issue or an Associate of that person (or 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 Proxy Form, or, it is cast by the Chair 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.

The Chair intends to vote all undirected proxies in favour of this Resolution.

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### 4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF CONSULTANT SHARES

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

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 15,792,200 Shares on the terms and conditions in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of, a person who participated in the issue or an Associate of that person (or 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 Proxy Form, or, it is cast by the Chair 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.

The Chair intends to vote all undirected proxies in favour of this Resolution.

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### 5. RESOLUTION 5 – APPROVAL OF 10% PLACEMENT CAPACITY

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

*“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the Company having the additional capacity to issue equity securities up to 10% of the issued capital of the Company (at the time of issue), calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 over a 12 month period from the date of the Annual General Meeting, at a price no less than that determined pursuant to ASX Listing Rule 7.1A.3 and otherwise on the terms and conditions in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an Associate of that person (or those persons). However, the Company will 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 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.

The Chair intends to vote all undirected proxies in favour of this Resolution.

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## 6. RESOLUTION 6 – ISSUE OF SHARES TO MR ANDREW BALD

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

*"That, for the purposes of ASX Listing Rule 10.11, Section 195 (4) and Chapter 2E of the Corporations Act and for all other purposes, approval is given for the Company to issue up to 8,800,000 Shares to Mr Andrew Bald (or his nominee) in lieu of Directors' fees on the terms and conditions in the Explanatory Statement."*

**Voting Exclusion:** For the purposes of the ASX Listing Rules and section 224 of the Corporations Act, the Company will disregard any votes cast in favour of Resolution 6 by Mr Andrew Bald or his nominee(s) or any Associates of Mr Andrew Bald. 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 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.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and:

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chair and the appointment does not specify how the Chair is to vote but expressly authorises the Chair to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

The Chair intends to vote all undirected proxies in favour of this Resolution.

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## 7. RESOLUTION 7 – ISSUE OF SHARES TO MR MICHAEL SANDY

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

*"That, for the purposes of ASX Listing Rule 10.11, Section 195 (4) and Chapter 2E of the Corporations Act and for all other purposes, approval is given for the Company to issue up to 8,800,000 Shares to Mr Michael Sandy (or his nominee) in lieu of Directors' fees on the terms and conditions in the Explanatory Statement."*

**Voting Exclusion:** For the purposes of the ASX Listing Rules and section 224 of the Corporations Act, the Company will disregard any votes cast in favour of Resolution 7 by Mr Michael Sandy or his nominee(s) or any Associates of Mr Michael Sandy. 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 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.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and:

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chair and the appointment does not specify how the Chair is to vote but expressly authorises the Chair to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

The Chair intends to vote all undirected proxies in favour of this Resolution.

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## 8. RESOLUTION 8 – ISSUE OF SHARES TO MR MATTHEW BATTRICK

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

*"That, for the purposes of ASX Listing Rule 10.11, Section 195 (4) and Chapter 2E of the Corporations Act and for all other purposes, approval is given for the Company to issue up to 8,800,000 Shares to Mr Matthew Battrick (or his nominee) in lieu of Directors' fees on the terms and conditions in the Explanatory Statement."*

**Voting Exclusion:** For the purposes of the ASX Listing Rules and section 224 of the Corporations Act, the Company will disregard any votes cast in favour of Resolution 8 by Mr Matthew Battrick or his nominee(s) or any Associates of Mr Matthew Battrick. 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 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.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and:

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chair and the appointment does not specify how the Chair is to vote but expressly authorises the Chair to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

The Chair intends to vote all undirected proxies in favour of this Resolution.

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## 9. RESOLUTION 9 – ISSUE OF SHARES TO MS DEBORAH AMBROSINI

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

*"That, for the purposes of ASX Listing Rule 10.11, Chapter 2E and all other purposes, approval is given for the Company to issue up to 3,000,000 Shares to Ms Deborah Ambrosini (or her nominee) in lieu of outstanding Directors' fees on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** For the purposes of the ASX Listing Rules and section 224 of the Corporations Act, the Company will disregard any votes cast in favour of this Resolution by Ms Deborah Ambrosini (or her nominee) and any of her associates. 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 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.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

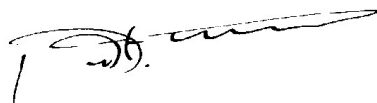
However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and:

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chair and the appointment does not specify how the Chair is to vote but expressly authorises the Chair to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

The Chair intends to vote all undirected proxies in favour of this Resolution.

**Dated: 22 October 2019**

**By order of the Board**



**Mr Robert Marusco**  
**Company Secretary**

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#### **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 Meeting are those who are registered Shareholders at 7.00pm (AEDT) on 23 November 2019.

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#### **Voting in person**

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

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#### **Voting by proxy**

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form. Proxies must be received in accordance with this Notice by no later than 4.00pm (AEDT) on 23 November 2019.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy; and
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the Shareholder appoints 2 proxies and the appointment does not specify the proportion or number of the Shareholders' votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

#### **Proxy vote if appointment specifies way to vote**

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular Resolution and if it does:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the Resolution, the proxy must not vote on a show of hands; and
- if the proxy is the Chair, the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the Chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

#### **Transfer of non-chair proxy to Chair in certain circumstances**

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular Resolution at the Meeting; and
- the appointed proxy is not the Chair; and
- at the Meeting, a poll is duly demanded on the Resolution; and
- either of the following applies:
  - the proxy is not recorded as attending the Meeting; or
  - the proxy does not vote on the Resolution,

the Chair is taken, before voting on the Resolution closes, to have been appointed as the proxy for the purposes of voting on the Resolution at the Meeting.

#### **Corporate representatives**

A Shareholder that is a body corporate may appoint an individual to act as its representative at the Meeting by providing a duly executed Certificate of Appointment of Corporate Representative (**Certificate**). Unless otherwise specified in the

Certificate, the representative may exercise all or any of the powers that the body corporate may exercise at the Meeting or in voting on a Resolution. A Certificate is available upon request from the Share Registry.

Appointments may be lodged in advance of the meeting with the Company's Share Registry, or handed in at the Meeting when registering.

**Voting Prohibition by Proxy Holders (Remuneration of Key Management Personnel)**

A vote on Resolution 1 must not be cast:

- by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member, regardless of the capacity in which the vote is cast; or
- by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such persons if the vote is not cast on behalf of a person who is excluded from voting on Resolution 1, and:

- the person is appointed as a proxy that specifies the way the proxy is to vote on Resolution 1; or
- the person is the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on Resolution 1, but expressly authorises the Chair to exercise the proxy even if Resolution 1 is connected with the remuneration of a member of the Key Management Personnel.

**Voting Prohibition by Proxy holders (Remuneration of Key Management Personnel)**

A vote on Resolutions 6 to 9 (inclusive) must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such persons if the vote is not cast on behalf of a person who is excluded from voting on Resolutions 6 to 9 (inclusive) , and:

- the person is appointed as a proxy that specifies the way the proxy is to vote on Resolutions 6 to 9 (inclusive); or
- the person is the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on Resolutions 6 to 9 (inclusive), but expressly authorises the Chair to exercise the proxy even if Resolutions 6 to 9 (inclusive) are connected with the remuneration of a member of the Key Management Personnel.

***Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9217 2400.***

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

This Explanatory Statement forms part of the Notice which should be read in its entirety. This Explanatory Statement contains the terms and conditions on which the Resolutions will be voted.

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

Section 1:	Financial Statements and Reports
Section 2:	Resolution 1 – Adoption of Remuneration Report
Section 3:	Resolution 2 – Re-election of Mr Andrew Bald
Section 4:	Resolutions 3 and 4 - Ratification of Prior Issue of Rights Issue Shortfall and Consultant Shares
Section 5:	Resolution 5 - Approval of 10% Placement Capacity
Section 6:	Resolutions 6 to 9 (inclusive) - Issue of Shares in lieu of Director Fees
	Glossary

A Proxy Form is located at the end of the Explanatory Memorandum.

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### 1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the Annual Report of the Company for the financial year ended 30 June 2019 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's Annual Report to Shareholders unless specifically requested to do so. The Company's Annual Report is available on its website at <https://www.mecresources.com.au/announcements/>.

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### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

#### 2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and Key Management Personnel of the company. The Remuneration Report is part of the Directors' Report contained in the Annual Report of the Company for a financial year.

The Chair must allow a reasonable opportunity for Shareholders to ask questions about or make comments on the Remuneration Report at the Annual General Meeting.

#### 2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report



resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting. If a Spill Resolution is put to shareholders, all of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

## 2.3 Previous voting results

At the Company's previous annual general meeting, the votes cast against the remuneration report considered at that annual general meeting were more than 25%, a Spill Resolution was put to the vote at that annual general meeting under an earlier application of section 250V of the Corporations Act, and that Spill Resolution was not carried. Accordingly, the Spill Resolution will not be relevant for this Annual General Meeting.

## 2.4 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

Person appointed as proxy	Where directions are given on Proxy Form	Where no directions are given on Proxy Form
Key Management Personnel <sup>(1)</sup>	Vote as directed	Unable to vote <sup>(3)</sup>
Chair <sup>(2)</sup>	Vote as directed	Able to vote at discretion of proxy if expressly authorised to do so under the proxy form <sup>(4)</sup>
Other	Vote as directed	Able to vote at discretion of proxy

### Notes:

- 1 Refers to Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of that Key Management Personnel.
- 2 Refers to the Chair (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report), or a Closely Related Party of the Chair.
- 3 Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.
- 4 The Proxy Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions.

## 3. RESOLUTION 2 – RE-ELECTION OF MR ANDREW BALD

### 3.1 General

Clause 11.3 of the Constitution requires that one third of Directors must retire from office at every annual general meeting. Clause 11.4 of the Constitution allows a retiring director to be eligible for re-election. Given that the current Directors were all elected at the Company's last annual general meeting, the Directors have agreed that Mr Andrew Bald will retire and stand for re-election this year. Personal particulars of Mr Bald are set out below.

Resolution 2 provides that Mr Andrew Bald retires by rotation and seeks re-election as a Director.

Resolution 2 is an ordinary resolution.

The Chair intends to exercise all available proxies in favour of Resolution 2.

### 3.2 Experience and background

Mr Bald has a financial markets background combined with a passion for start-ups.

His extensive banking experience spans a range of roles including domestic and offshore financial institutions with over 15 years marketing structured derivatives. He has provided advice and risk management solutions to most of the ASX top 200 listed companies, specialising in structured interest rate and currency derivatives before embarking on a career as a Corporate Advisor.

Since 1999, Mr Bald has originated and completed numerous corporate finance transactions, assisting companies to manage both their debt and equity requirements.

Mr Bald specialises in:

- providing strategic planning, risk management, and financing advice;
- raising capital and advising companies in relation to listings (IPO);
- identifying profitable and successful transactions; and
- creating, structuring and fostering new businesses.

In addition to his role as a founding shareholder and director of a number of ASX listed companies, Mr Bald has started a number of new private enterprises in agriculture including wine and aquaculture and has invested in a range of start-ups including early-stage technology.

### 3.3 Board recommendation

The Board (other than Mr Bald) recommends that you vote in favour of the Resolution.

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## 4. RESOLUTIONS 3 & 4 – RATIFICATION OF PRIOR ISSUE OF RIGHTS ISSUE SHORTFALL AND CONSULTANT SHARES

### 4.1 General

On 9 April 2019, the Company announced a pro-rata non-renounceable rights issue, which subsequently closed on 10 May 2019 having raised \$363,551.65 (before costs), by the issue of 72,710,330 Shares at an issue price of \$0.005 per Share (**Rights Issue**).

Following the close of the Rights Issue the Directors had the ability to place the shortfall within a three month period after the close pursuant to which 224,680,600 Shares were placed at an issue price of \$0.005 per Share.

On 4 October 2019, the Company also issued 15,792,200 Shares at a deemed issue price of \$0.005 per Share to Here Capital Pty Ltd as part consideration for the accounting, tax, company secretarial and consulting services provided (and to be provided) during the current financial year (**Consultant Shares**).

Resolutions 3 and 4 seek Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

## **4.2 Resolutions 3 and 4 – ASX Listing Rules 7.1 and 7.4**

ASX Listing Rule 7.1 provides that a 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.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying the issue of Shares the subject of Resolutions 3 and 4, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

## **4.3 Technical information required by ASX Listing Rule 7.5**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the ratification of the Shares the subject of Resolution 3:

- (a) the number of Shares for which Shareholder ratification is being sought under this Resolution is 224,680,600;
- (b) the Shares were issued at an issue price of \$0.005 per Share on the same terms and conditions as the Shares issued under the pro-rata non-renounceable rights issue announced 9 April 2019;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares and rank equally in all respects with the existing Shares;
- (d) 21,019,960 Shares were issued to sophisticated and professional investors identified by Here Capital Pty Ltd on 14 August 2019. 203,660,640 Shares were issued to sophisticated and professional investors identified by Here Capital Pty Ltd on 7 August 2019;
- (e) the funds raised from this issue will be used for evaluating new opportunities for the Company and for general working capital purposes; and
- (f) a voting exclusion statement is included in the Notice for the purpose of Resolution 3.

## **4.4 Technical information required by ASX Listing Rule 7.5**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the ratification of the Shares the subject of Resolution 4:

- (a) the number of Shares for which Shareholder ratification is being sought is 15,792,200;
- (b) the Shares were issued at a deemed issue price of \$0.005 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares and rank equally in all respects with the existing Shares;
- (d) the Shares were issued to Here Capital Pty Ltd on 4 October 2019 for accounting, tax, company secretarial and consulting services provided (and to be provided) for nil consideration in lieu of payment of cash;

- (e) no funds raised will be raised from the issue of Shares as they are being issued for nil consideration but as part of the consideration for the services provided and to be provided during the current financial year; and
- (f) a voting exclusion statement is included in the Notice for the purpose of Resolution 4.

#### 4.5 Board recommendation

The Board recommends you vote in favour of these Resolutions.

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### 5. RESOLUTION 5 – APPROVAL OF 10% PLACEMENT CAPACITY

#### 5.1 General

ASX Listing Rule 7.1A provides that an eligible entity (as defined below) may seek shareholder approval by special resolution passed at an annual general meeting to have the capacity to issue up to that number of Equity Securities equal to 10% of its issued capital (**10% Placement Capacity**) without using that company's existing 15% annual placement capacity granted under ASX Listing Rule 7.1.

An eligible entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000 or less.

As at the date of this Notice, the Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$3,275,255.88 (based on the number of Shares on issue and the closing price of Shares on the ASX on 7 October 2019, being \$0.005).

An equity security is a share, a unit in a trust, a right to a share or unit in a trust or option, an option over an issued or unissued security, a convertible security, or, any security that ASX decides to classify as an equity security.

Any equity securities issued under the 10% Placement Capacity must be in the same class as an existing class of quoted Equity Securities. As at the date of this Notice, the Company currently has one (1) class of quoted Equity Securities on issue, being the Shares (ASX Code: MMR).

If Shareholders approve Resolution 5, the number of Equity Securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

Listing Rule 7.1A.2 provides that eligible entities which have obtained Shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

#### **(A x D) – E**

**A** is the number of shares on issue 12 months before the date of issue or agreement:

- (i) plus the number of Shares issued in the 12 months under an exception in Listing Rule 7.2;
- (ii) plus the number of partly paid shares that became fully paid in the 12 months;

- (iii) plus the number of Shares issued in the 12 months with Shareholder approval under Listing Rule 7.1 and 7.4. This does not include an issue of Shares under the entity's 15% placement capacity without Shareholder approval;
- (iv) less the number of fully paid shares cancelled in the 12 months.

*Note that A is has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.*

**D** is 10%

**E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with Shareholder approval under Listing Rule 7.1 or 7.4.

Resolution 5 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 5 for it to be passed.

## 5.2 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 5:

### (a) Minimum Price

The minimum price at which the Equity Securities may be issued under the 10% Placement Capacity is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in section 4.3(a)(i), the date on which the Equity Securities are issued.

### (b) Date of Issue

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Annual General Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Annual General Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid),

**(10% Placement Capacity Period).**

### (c) Risk of voting dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 5 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the market price of Shares and the number of Equity Securities on issue as at 7 October 2019.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	\$0.0025 50% decrease in Issue Price	\$0.005 Issue Price	\$0.0075 50% increase in Issue Price
655,051,176 (Current Variable A)	Shares issued - 10% voting dilution	65,505,118 Shares	65,505,118 Shares	65,505,118 Shares
	Funds raised	\$163,762.79	\$327,525.59	\$491,288.38
982,576,764 (50% increase in Variable A)	Shares issued - 10% voting dilution	98,257,676 Shares	98,257,676 Shares	98,257,676 Shares
	Funds raised	\$245,644.19	\$491,288.38	\$736,932.57
1,310,102,352 (100% increase in Variable A)	Shares issued - 10% voting dilution	131,010,235 Shares	131,010,235 Shares	131,010,235 Shares
	Funds raised	\$327,525.59	\$655,051.18	\$982,576.76

\*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

- (i) There are currently 655,051,176 Shares on issue.
- (ii) The issue price set out above is the closing price of the Shares on the ASX on 7 October 2019.
- (iii) The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
- (iv) The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listings Rule 7.1 or 7.4 and that Resolutions 3 and 4 of this Notice are approved by Shareholders.
- (v) The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.

- (vi) The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
- (vii) This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
- (viii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (ix) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares issued under the 10% Placement Capacity may be issued at a price that is at a discount to the market price for those Shares on the date of issue or Equity Securities may be issued as part consideration for the acquisition of an asset, both of which may affect the amount of funds raised by the issue.

**(d) Purpose of Issue under 10% Placement Capacity**

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration in which case the Company intends to use funds raised for continued evaluation of potential new opportunities within the Company Pooled Development Fund mandate, follow up capital for its existing investments and general working capital etc; or
- (ii) as non-cash consideration for the potential acquisition of new opportunity assets and investments, in such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

**(e) Allocation policy under the 10% Placement Capacity**

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;

- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

(f) **Previous approval under ASX Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 27 November 2018 (**Previous Approval**). The following information is provided in accordance with ASX Listing Rule 7.3A.6:

- (i) the Company has not issued any Equity Securities pursuant to the Previous Approval;
- (ii) during the 12 month period preceding the date of the Meeting, being on and from 27 November 2018, the Company issued a total of 313,183,130 Equity Securities (excluding issues of Shares on conversion or exercise of Performance Rights or Options) representing 91.6% of the Equity Securities on issue at the commencement of that 12 month period; and
- (iii) the Equity Securities issued in the 12 month period (excluding issues of Shares on conversion or exercise of Performance Rights or Options) are set out in the following table:

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) <sup>1</sup>	Form of consideration
Issue – 14/05/2019  Appendix 3B – 14/05/2019	72,710,330	Shares <sup>2</sup>	65,592,243 Shares issued as part of non-renounceable rights issue announced 9 April 2019 to existing Shareholders  7,118,087 Shares under the shortfall provisions placement of non-renounceable rights issue announced 9 April 2019 to professional and sophisticated investors	Issued at market price of \$0.005	Cash Consideration  Amount raised = \$363,551  Amount spent = \$363,953  Funds were used to: <ul style="list-style-type: none"> <li>• meet obligations in relation to Advent Energy Limited one of the Company's investee companies.</li> <li>• expand and diversify the Company's asset base in accordance with its approved PDF investment mandate</li> <li>• working capital</li> </ul> Amount remaining = Nil  Proposed use of remaining funds = N/A
Issue – 6/08/2019  Appendix 3B – 7/08/2019	203,660,640	Shares <sup>2</sup>	Shares under the shortfall provisions placement of non-renounceable rights issue announced 9 April	Issued at market price of \$0.005	Cash Consideration  Amount raised = \$1,018,303  Amount spent = \$241,000  Funds were used to:



			2019 to professional and sophisticated investors		<ul style="list-style-type: none"> <li>• meet obligations in relation to Advent Energy Limited one of the Company's investee companies.</li> <li>• expand and diversify the Company's asset base in accordance with its approved PDF investment mandate</li> <li>• working capital</li> </ul> <p>Amount remaining = \$777,303</p> <p>Proposed use of remaining funds = continue to meet obligations in relation to Advent Energy Limited and to explore and expand and diversify the Company's asset base in accordance with its approved PDF investment mandate</p>
Issue – 14/08/2019 Appendix 3B – 14/08/2019	21,019,960	Shares <sup>2</sup>	Shares under the shortfall provisions placement of non-renounceable rights issue announced 9 April 2019 to professional and sophisticated investors	Issued at \$0.005 representing a 44% discount to the Share price as at 14 August 2019 (\$0.009)	<p>Cash Consideration</p> <p>Amount raised = \$105,099</p> <p>Amount spent = Nil</p> <p>Amount remaining = \$105,099</p> <p>Proposed use of funds = continue to meet obligations in relation to Advent Energy Limited and to explore and expand and diversify the Company's asset base in accordance with its approved PDF investment mandate</p>
Issue – 4/10/2019 Appendix 3B – 7/10/2019	15,792,200	Shares <sup>2</sup>	Shares issued to providers of professional services	15,792,200 Shares issued at deemed issue price of \$0.005 which was the market price on 4 October 2019	<p>Non-cash consideration in the form of Shares issued to providers of professional services of \$78,961 at deemed issue price of \$0.005</p> <p>Current value<sup>3</sup> = \$94,753</p>

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: MMR (terms are set out in the Constitution).
3. In respect of quoted Equity Securities the value is based on the closing price of the Shares \$0.006 as the context requires on the ASX on 15 October 2019.

**(g) Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it must give to ASX:

- (i) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 3.10.5A for release to the market.

**(h) Voting Exclusion**

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder, security holder or an identifiable class of equity security holders to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 5.

### 5.3 Board recommendation

The Board recommends that you vote in favour of this Resolution.

## 6. RESOLUTIONS 6 TO 9 (INCLUSIVE)- ISSUE OF SHARES TO DIRECTORS IN LIEU OF FEES AND ISSUE OF SHARES TO MS DEBORAH AMBROSINI

### 6.1 General

Subject to obtaining Shareholder approval, the Company proposes to issue up to a total of 29,400,000 Shares in lieu of outstanding directors fees (**Related Party Securities**) to the following Directors and previous Director of the Company (**Related Parties**):

Related Party	Outstanding Fees	Number of Shares <sup>1</sup>
Mr Andrew Bald (or nominee)	Outstanding Fees: \$44,000 <sup>2</sup>	8,800,000
Mr Michael Sandy (or nominee)	Outstanding Fees: \$44,000 <sup>3</sup>	8,800,000
Mr Matthew Battrick (or nominee)	Outstanding Fees: \$44,000 <sup>4</sup>	8,800,000
Ms Deborah Ambrosini (or nominee)	Outstanding Fees: \$25,000 <sup>5</sup>	up to 3,000,000

**Note:**

1. The Company has determined the number of Shares to be issued to the Directors based on a deemed issue price of \$0.005 per Share.
2. The total outstanding amount to Mr Andrew Bald is \$44,000 (including GST). Of this amount he has agreed, subject to Shareholder approval, to the payment of the total outstanding amount of Directors' fees being settled by way of issue of Shares.
3. The total outstanding amount to Mr Michael Sandy is \$44,000 (including GST). Of this amount he has agreed, subject to Shareholder approval, to the payment of the total outstanding amount of Directors' fees being settled by way of issue of Shares.
4. The total outstanding amount to Mr Matthew Battrick is \$44,000 (including GST). Of this amount he has agreed, subject to Shareholder approval, to the payment of the total outstanding amount of Directors' fees being settled by way of issue of Shares.
5. The total outstanding amount to Ms Deborah Ambrosini is \$25,000 (including GST). Of this amount Ms Ambrosini has agreed, subject to Shareholder approval, to a payment of outstanding Directors' fees of \$15,000 being settled by way of issue of Shares. The balance of \$10,000 will be paid in cash.

Resolutions 6 to 9 (inclusive) seek Shareholder approval for the issue of the Related Party Securities to the Related Parties (or their respective nominees). To the extent Shareholders do not approve the issue of the Related Party Securities, the Related Parties will be entitled to be paid their respective outstanding amounts owing in cash.

Resolutions 6 to 9 (inclusive) are ordinary resolutions.

The Chair intends to exercise all available proxies in favour of Resolutions 6 to 9 (inclusive).

If the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on Resolutions 6 to 9 (inclusive), by signing and returning the Proxy Form, you are giving your express authorisation to allow the Chair to vote the proxy in accordance with the Chair's intention, even

though the Resolutions are connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

## **6.2 Section 195(4) of the Corporations Act**

The Directors have a material personal interest in the outcome of Resolutions 6 to 8 (inclusive) by virtue of the fact that Resolutions 6 to 8 (inclusive) is concerned with the issue of Shares to all of the Directors in lieu of fees. Section 195 of the Corporations Act essentially provides that a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a material personal interest are being considered. In the absence of Shareholder approval under section 195(4) of the Corporations Act, the Directors may not be able to form a quorum at Board meetings necessary to carry out the terms of Resolutions 6 to 8 (inclusive). The Directors have accordingly exercised their right under section 195(4) of the Corporations Act to put the issue to Shareholders to determine.

## **6.3 Chapter 2E of the Corporations Act**

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefits falls within one of the nominated exceptions of the provision; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

Section 208(1)(a) of the Corporations Act prohibits a company from giving a financial benefit (including an issue of securities) to a related party of the company without the approval of shareholders by a resolution passed at a general meeting at which no votes are cast in relation to the resolution in respect of any shares held by the related party or by an associate of the related party.

The Directors and Ms Deborah Ambrosini are related parties for the purposes of section 228 of the Corporations Act and as a result, the issue of Shares constitutes the giving of a financial benefit. Accordingly, the Company is seeking Shareholder approval for the purposes of section 208 of the Corporations Act.

## **6.4 Information required for Chapter 2E of the Corporations Act**

Section 219 of the Corporations Act requires the following information to be provided to Shareholders:

### **(a) Related Party**

The following persons are Directors or in the case of Ms Deborah Ambrosini, a previous director of the Company and are therefore the related parties to whom a financial benefit will be given under Resolutions 6 to 9 (inclusive):

- (i) Mr Andrew Bald (or nominee);
- (ii) Mr Michael Sandy (or nominee);
- (iii) Mr Matthew Battrick (or nominee); and
- (iv) Ms Deborah Ambrosini (or nominee).

### **(b) Nature of Financial Benefit**

The financial benefit to be given to the Related Parties pursuant to Resolutions 6 to 9 (inclusive) is as follows:

- (i) 8,800,000 Shares to Mr Andrew Bald (or his nominee);
- (ii) 8,800,000 Shares to Mr Michael Sandy (or his nominee);
- (iii) 8,800,000 Shares to Mr Matthew Battrick (or his nominee); and
- (iv) Up to 3,000,000 Shares to Ms Deborah Ambrosini (or her nominee).

The Shares will have the same terms as the Company's existing fully paid ordinary shares and the deemed issue price per Share is \$0.005.

The purpose of the issue is to remunerate the Related Parties for past services. The Directors consider that it is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Parties.

(c) **Directors' Recommendation, Reasons for Recommendation and Directors Interests**

The Directors of the Company are unable to make a recommendation as to whether Shareholders should approve Resolutions 6 to 8 as each Director of the Company has an interest in the outcome of Resolutions 6 to 8 (inclusive).

The Directors recommend that Shareholders approve Resolution 9 on the basis that the issue of Shares to Ms Deborah Ambrosini is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of the benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Ms Deborah Ambrosini.

(d) **Trading History**

At the close of trading on the date preceding the printing of this Notice, the Share price of the Shares in the Company was 0.006. In the twelve months prior to the date of this Notice, the Shares in the Company traded at a high of 0.012 on 15 October 2019 and a low of 0.04 on 20 May 2019.

(e) **Dilution**

If Resolutions 6 to 9 (inclusive) are passed, a total of 29,400,000 Shares would be issued. This will increase the total number of Shares on issue in the Company from 655,051,176 to 684,451,176 (assuming that no Options are exercised and no other Shares are issued) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 4.3%.

(f) **Opportunity Cost**

The Directors do not consider that there are any material opportunity costs to the Company or benefits foregone by the Company in issuing the Related Party Securities pursuant to Resolutions 6 to 9 (inclusive).

(g) **Tax Consequences**

The Directors are not aware of any taxation consequences that will arise from the issue of Related Party Securities pursuant to Resolutions 6 to 9 (inclusive).

(h) **Related Parties Interests in the Shares of the Company**

The relevant interests of the Related Parties in securities of the Company are set out below:

Related Party	Existing Shares	Existing Options	Shares to be issued pursuant to Resolutions 6 to 9 (inclusive)	% relevant interest after issue of Shares the subject of Resolutions 6 to 9 (inclusive)
Mr Andrew Bald	5,418,096	0	8,800,000	2.08%
Mr Michael Sandy	0	0	8,800,000	1.29%
Mr Matthew Battrick	0	0	8,800,000	1.29%
Ms Deborah Ambrosini	0	0	Up to 3,000,000	0.44%

(i) **Directors' Remuneration**

The remuneration and emoluments from the Company to the Related Parties for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out below:

Related Party	Current Financial Year	Previous Financial Year
Mr Andrew Bald	\$48,000	\$24,000
Mr Michael Sandy	\$48,000	\$24,000
Mr Matthew Battrick	\$48,000	\$71,767
Ms Deborah Ambrosini	\$0	\$195,912

(j) **Voting Prohibition**

A voting prohibition is included in this Notice.

**6.5 ASX Listing Rule 10.11**

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.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Related Party Securities to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Related Party Securities to the Related Parties will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

**6.6 Information required by ASX Listing Rule 10.13**

The following information is provided in accordance with ASX Listing Rule 10.13:

- (a) The Shares will be issued to the Related Parties listed in section 6.1 above.
- (b) **29,400,000** Shares are to be divided amongst the Related Parties. The maximum number of Shares to be issued to each of the Related Parties is as follows:
  - (i) **8,800,000** Shares to Mr Andrew Bald (or his nominee);
  - (ii) **8,800,000** Shares to Mr Michael Sandy (or his nominee);
  - (iii) **8,800,000** Shares to Mr Matthew Battrick (or his nominee); and
  - (iv) **up to 3,000,000** Shares to Ms Deborah Ambrosini (or her nominee).
- (c) The Related Party Securities will be issued to the Related Parties no later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules).
- (d) In respect of Resolution 9, as mentioned above, Ms Deborah Ambrosini is a previous director of the Company.
- (e) The Shares will be issued at a deemed issue price of \$0.005 per Share. The Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
- (f) The Shares will rank equally in all respects with the Company's existing Shares on issue;
- (g) No funds will be raised from the issue of the Shares as they are being issued for nil cash consideration in lieu of outstanding director fees.
- (h) A voting exclusion statement has been included in this Notice.

The Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 6 to 9 (inclusive).

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## GLOSSARY

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**\$** means Australian dollars.

**10% Placement Capacity** has the meaning given in Section 5.1.

**10% Placement Capacity Period** has the meaning given in Section 5.2.

**AEDT** means Australian Eastern Daylight Time.

**Annual General Meeting or Meeting** means the meeting convened by the Notice.

**Annual Report** means the annual financial report of the Company for the year ended 30 June 2019.

**ASIC** means the Australian Securities & Investments Commission.

**Associate** has the meaning given to it in ASX Listing Rule 19.12.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

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

**Board** means the current board of directors of the Company.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

**Certificate** means a duly executed certificate of appointment of corporate representative.

**Chair** means the chair of the Meeting.

**Closely Related Party** of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001 (Cth)*.

**Company** means MEC Resources Limited (ACN 113 900 020).

**Constitution** means the Company's constitution.

**Consultant Shares** has the meaning given in Section 4.1.

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

**Directors** means the current directors of the Company.

**Directors' Plan** means the directors' share plan for which approval is being sought under Resolution 12.

**Director's Report** means the directors' report contained in the Annual Report.

**Equity Securities** has the meaning given in chapter 19 of the ASX Listing Rules.

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

**Glossary** means this glossary of definitions.

**Key Management Personnel** has the same meaning as in the accounting standards and broadly includes those 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** means the annual general meeting of shareholders of the Company to be held at Boardroom Pty Ltd, Level 12, 225 George St, Sydney NSW 2000 on 25 November 2019 commencing at 4pm (AEDT).

**Notice** or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

**Option** means an option to acquire a Share.

**Optionholder** means a holder of an Option.

**Performance Rights** means performance rights convertible into Shares upon performance of the nominated milestone(s).

**Previous Approval** has the meaning given in Section 5.2(f).

**Proxy Form** means the proxy form accompanying the Notice.

**Ratification** has the meaning given in Section 4.1.

**Rights Issue** has the meaning given in Section 4.1.

**Related Parties** has the meaning given in Section 6.1.

**Related Party Securities** has the meaning given in Section 6.1.

**Remuneration Report** means the remuneration report set out in the Directors' Report contained in the Annual Report.

**Resolutions** means the resolutions set out in the Notice, or any one of them, as the context requires.

**Section** means a section of this Notice.

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

**Shareholder** means a registered holder of a Share.

**Share Registry** means the Company's share registry being Boardroom Pty Ltd.

**Spill Meeting** has the meaning ascribed to it in Section 2.2 of the Explanatory Statement.

**Spill Resolution** has the meaning ascribed to it in Section 2.2 of the Explanatory Statement.



#### All Correspondence to:

✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993  
Sydney NSW 2001 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** [www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)

☎ **By Phone:** (within Australia) 1300 737 760  
(outside Australia) +61 2 9290 9600

## YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 4:00pm (AEDT) on Saturday 23 November 2019.**

### 🖨 TO VOTE ONLINE

**STEP 1: VISIT** <https://www.votingonline.com.au/mmragm2019>

**STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**

**STEP 3: Enter your Voting Access Code (VAC):**

### 📱 BY SMARTPHONE



Scan QR Code using smartphone  
QR Reader App

### TO VOTE BY COMPLETING THE PROXY FORM

#### STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

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

##### Appointment of a Second Proxy

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

To appoint a second proxy you must:

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

#### STEP 2 VOTING DIRECTIONS TO YOUR PROXY

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

##### Proxy which is a Body Corporate

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

#### STEP 3 SIGN THE FORM

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

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

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

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

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

#### STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by time **4:00pm (AEDT) on Saturday, 23 November 2019.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

🖨 **Online** <https://www.votingonline.com.au/mmragm2019>

📠 **By Fax** + 61 2 9290 9655

✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993,  
Sydney NSW 2001 Australia

👤 **In Person** Boardroom Pty Limited  
Level 12, 225 George Street,  
Sydney NSW 2000 Australia

#### Attending the Meeting

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

☐
**Your Address**

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

**Please note, you cannot change ownership of your securities using this form.**

## PROXY FORM

### STEP 1 APPOINT A PROXY

I/We being a member/s of **MEC Resources Limited** (Company) and entitled to attend and vote hereby appoint:

☐

the **Chair of the Meeting** (mark box)

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at **Boardroom Pty Limited, Grosvenor Place, Level 12, 225 George Street, Sydney NSW 2000 on Monday, 25 November 2019 at 4:00pm (AEDT)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolutions 1 and 6 - 9, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these Resolutions even though Resolutions 1 and 6 - 9 are connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolutions 1 and 6 - 9). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

### STEP 2 VOTING DIRECTIONS

\* 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 vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Andrew Bald as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of prior Issue of Rights Issue Shortfall Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of Prior Issue of Consultant Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Issue of Shares to Mr Andrew Bald	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Issue of Shares to Mr Michael Sandy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Issue of Shares to Mr Matthew Batrick	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Issue of Shares to Ms Deborah Ambrosini	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2019