

COVATA LIMITED
ACN 120 658 497
(formerly "Prime Minerals Limited")

NOTICE OF 2014 ANNUAL GENERAL MEETING

Notice is given that the 2014 Annual General Meeting of Covata Limited ("the **Company**" or "**Covata**") will be held at Medina Apartment Hotel Sydney, Harbourside, 55 Shelley Street, King Street Wharf Sydney, NSW 2000, in the Spinnaker Room on 11 December 2014 at 9:00am (AEDT).

Further details in respect of each of the resolutions proposed in this Notice of Annual General Meeting are set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting. The details of the resolutions contained in the Explanatory Memorandum should be read together with, and form part of, this Notice of Annual General Meeting.

GENERAL BUSINESS

2014 Annual Financial Statements

To lay before the Meeting and consider the 2014 Annual Financial Statements of the Company in respect of the year ended 30 June 2014 and comprising the Annual Financial Report, the Directors' Report and the Auditor's Report.

Resolution 1: Non-binding resolution to adopt Remuneration Report

To consider and, if thought fit, to pass the following resolution as a non-binding ordinary resolution:

"That the Company approve the adoption of the Remuneration Report, included in the Director's Report, for the year ended 30 June 2014."

Voting Prohibition Statement:

A vote on Resolution 1 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.

However, a person (the voter) described above may cast a vote on Resolution 1 as a proxy if the vote is not cast on behalf of a person described above and the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on Resolution 1; or

Voting Note:

Former directors of the Company who are key management personnel whose remuneration details are included in the 2014 remuneration report, any other key management personnel whose remuneration details are included in the 2014 remuneration report, or any of their closely related parties, will not be able to vote on Resolution 1 or to vote undirected proxies held by them on Resolution 1.

The Chair of the Company, Mr Charles (Chuck) Archer, took office on 31 October 2014 and is not one of the 30 June 2014 key management personnel whose remuneration details are included in the 2014 Remuneration Report or a closely related party of such a member. Therefore Mr Archer is eligible to vote on Resolution 1. If you appoint the Chair of the meeting as your proxy (or if he may be appointed by default) and do not direct him how to vote on Resolution 1 he will vote your proxy in favour of Resolution 1.

Resolution 2: Re-Election of Mr Charles (Chuck) Archer as a Director

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

"THAT Mr Charles (Chuck) Archer who retires by rotation in accordance with the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."

Resolution 3: Re-Election of Mr Phillip Dunkelberger as a Director

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

"THAT Mr Phillip Dunkelberger, a Director appointed to fill a casual vacancy, being eligible for re-election as a Director and offering himself for re-election, be re-elected as a Director of the Company."

Resolution 4: Re-Election of Mr Joseph Miller as a Director

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

"THAT Mr Joseph Miller, a Director appointed to fill a casual vacancy, being eligible for re-election as a Director and offering himself for re-election, be re-elected as a Director of the Company."

Resolution 5: Approval of Placement Facility

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

"THAT for the purposes of ASX Listing Rule 7.1A, shareholders approve the Company having the capacity to issue fully paid ordinary shares in the capital of the Company up to the maximum number permitted under ASX Listing Rule 7.1A.2 at an issue price which is not less than 75% of the volume weighted average market (closing) price of the Company's ordinary shares calculated over the last fifteen (15) days on which trades of the Company's ordinary shares were recorded on ASX immediately before the date on which the issue price is agreed or the date the issue is made as described in the Explanatory Memorandum which accompanied and forms part of this Notice of Annual General Meeting."

Voting Note:

If as at the time of the Annual General Meeting, the Company:

- (a) is included in the S&P/ASX 300 Index; and/or
- (b) has a market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of greater than AU\$300 million,

then Resolution 5 will be withdrawn.

Voting Exclusion Statement:

The Company will disregard any votes cast on Resolution 5 by:

- (a) persons who may participate in the proposed issue and persons who might obtain a benefit except a benefit solely in the capacity of a holder of ordinary shares, if the resolution is passed; and
- (b) an associate of those persons.

However, the Company need not disregard a vote on Resolution 5 if:

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

Resolution 6: Change of Auditor

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

"THAT KPMG, an audit firm, be appointed as the auditor of the Company, replacing the incumbent auditor, HLB Mann Judd."

Dated: 11 November 2014

By the order of the Board



Mr Nicholas Chiarelli
Secretary

The accompanying Explanatory Memorandum and the Proxy and Voting Instructions form part of this Notice of Meeting.

PROXY AND VOTING INSTRUCTIONS

Proxy Instructions

A member who is entitled to vote at a meeting may appoint:

- one proxy if the member is only entitled to one vote; and
- one or two proxies if the member is entitled to more than one vote.

Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion of the member's voting rights. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes in which case any fraction of votes will be disregarded.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be lodged at the Share Registry of the Company or sent by facsimile transmission to the Share Registry of the Company on (08) 9262 3723 not less than 48 hours before the time for holding the Meeting, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

The proxy form must be signed by the member or his/her attorney duly authorised in writing or, if the member is a corporation, in a manner permitted by the Corporations Act. A proxy given by a foreign corporation must be executed in accordance with the laws of that corporation's place of incorporation.

The proxy may, but need not, be a member of the Company.

A proxy form is attached to this Notice.

If you sign the proxy form and do not appoint a proxy, you will have appointed the Chair of the meeting as your proxy.

Corporate Representatives

Any corporation which is a member of the Company may authorise (by certificate under common seal or other form of execution authorised by the laws of that corporation's place of incorporation, or in any other manner satisfactory to the chairperson of the Meeting) a natural person to act as its representative at any general meeting.

Voting Entitlement

For the purposes of the Corporations Act and Corporations Regulations shareholders entered on the Company's Register of Members as at 8pm on 9 December 2014 (Sydney, NSW time) are entitled to attend and vote at the meeting.

On a poll, members have one vote for every fully paid ordinary share held. Holders of options are not entitled to vote.

How the Chair Will Vote Undirected Proxies

The Chair of the meeting will vote undirected proxies in favour of all of the proposed resolutions.

Proxies that are Undirected on Resolution 1 (Remuneration Report)

The current Chair of the Company, Mr Archer, is not one of the 30 June 2014 key management personnel whose remuneration details are included in the 2014 remuneration report or a closely related party of such a member. The Chair is therefore eligible to vote on Resolution 1. If you appoint the Chair of the meeting as your proxy (or if he may be appointed by default) and do not direct him how to vote on Resolution 1 he will vote your proxy in favour of Resolution 1.

The Remuneration Report identifies key management personnel for the year ending 30 June 2014. Their closely related parties are defined in the Corporations Act 2001 (Cth) and include specified family members, dependents and companies they control.

Former directors of the Company who are key management personnel whose remuneration details are included in the 2014 remuneration report, any other key management personnel whose remuneration details are included in the 2014 remuneration report, or any of their closely related parties, will not be able to vote on Resolution 1 or to vote undirected proxies held by them on Resolution 1.

Special Resolution

For a special resolution to be passed, at least 75% of the votes validly cast on the resolution by shareholders (by number of shares) must be in favour of the resolution.

COVATA LIMITED
ACN 120 658 497
(formerly "Prime Minerals Limited")
("the Company")

2014 ANNUAL GENERAL MEETING

EXPLANATORY MEMORANDUM

PURPOSE OF INFORMATION

This Explanatory Memorandum ("**this Memorandum**") accompanies and forms part of the Company's Notice of the 2014 Annual General Meeting to be held at Medina Apartment Hotel Sydney, Harbourside, 55 Shelley Street, King Street Wharf Sydney, NSW 2000, in the Spinnaker Room on 11 December 2014 at 9:00am (AEDT). The Notice of the 2014 Annual General Meeting incorporates, and should be read together with, this Memorandum.

BUSINESS

2014 Annual Financial Statements

The 2014 Annual Financial Statements, comprising the Financial Report, Directors' Report and Auditor's Report for the year ended 30 June 2014 will be laid before the meeting. Shareholders will have the opportunity to ask questions about or make comments on the 2014 Annual Financial Statements and the management of the Company. A representative of the auditor will be invited to attend to answer questions about the audit of the Company's 2014 Annual Financial Statements.

The Company's 2014 Annual Financial Statements are set out in the Company's 2014 Annual Report which can be obtained from the Company's website, www.covata.com or upon request to the Secretary at the office of the Company office, Level 4, 156 Clarence Street, Sydney, NSW, 2000 (telephone (02) 8412 8200).

There is no requirement for these reports to be formally approved by shareholders. No resolution is required to be moved in respect of this item.

Resolution 1: Non-binding Resolution - Remuneration Report

The Company is required, pursuant to the Corporations Act 2001 (Cth) ("**the Corporations Act**"), to propose a non-binding resolution regarding the 2014 Remuneration Report, which forms part of the Director's Report in the 2014 Annual Financial Statements. The vote is advisory only and does not bind the Directors or the Company.

Shareholders attending the 2014 Annual General Meeting of the Company will have an opportunity to discuss and put questions in respect of the Remuneration Report.

The resolution is advisory only and does not bind the Company or its directors. The Board will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies. Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings ("**AGM**") (treating this AGM as the first such meeting), shareholders will be required to vote at the second of those AGM's on a resolution (a "**spill resolution**") that another meeting be held within 90 days at which all of the Company's directors (other than the Managing Director and CEO) must be put up for re-election. The vote on the Remuneration Report contained in the Company's 2013 Annual Financial Statements was passed with the support of more than 75% of votes thus a spill resolution will not be required in the event that 25% or more of votes that are cast are against the adoption of the 2014 Remuneration Report. However, in the event that 25% or more of votes that are cast are against the adoption of the 2014 Remuneration Report, shareholders should be aware that if there is a 'no' vote of 25% or more at the same resolution at the 2015 AGM the consequences are that it may result in the re-election of the Board.

Note that a voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. In particular, former Directors and other member of the key management personnel details of whose remuneration are included in the Remuneration Report or a closely related party of the key management personnel details of whose remuneration are included in the Remuneration Report must not vote on Resolution 1 and must not cast a vote as proxy, unless the proxy appointment gives a direction on how to vote.

The current Chair of the Company, Mr Archer, took office on 31 October 2014 and is not one of the key management personnel whose remuneration details are included in the 2014 remuneration report or a closely related party of such a member. The Chair is therefore eligible to vote on Resolution 1. If you appoint the Chair of the meeting as your proxy (or if he may be appointed by default) and do not direct him how to vote on Resolution 1 he will vote your proxy in favour of Resolution 1.

Resolution 2: Re-Election of Mr Charles (Chuck) Archer as a Director

Resolution 2 is a resolution for the re-election of the Chair of the Company, Mr Charles (Chuck) Archer as a Director of the Company.

Pursuant to the Constitution of the Company, one-third of the Directors or, if their number is not a multiple of three, the number nearest to one-third (rounded up) but disregarding the Chief Executive Officer (managing director) and Directors appointed to fill casual vacancies, are required to retire by rotation at each AGM. The Company has five directors, one of whom is the CEO and two of whom were appointed to fill casual vacancies. Accordingly one director other than the CEO is required to retire by rotation at the AGM.

Mr Archer, who was elected to the Board of the Company at the general meeting of the Company held on 23 September 2014 subject to and conditional upon successful completion of the takeover offer, and who took office on 31 October 2014 upon settlement of the takeover occurring, retires by rotation and, being eligible, offers himself for re-election.

Resolution 3: Re-Election of Mr Phillip Dunkelberger as a Director

Resolution 3 is a resolution for the re-election of Mr Phillip Dunkelberger as a Director of the Company.

Pursuant to the Constitution of the Company, a Director appointed to fill a casual vacancy may only hold office until the next AGM unless re-elected at that AGM.

Mr Dunkelberger was appointed as a Director of the Company on 31 October 2014 upon settlement under the takeover occurring.

Mr Dunkelberger is eligible to be re-elected as a Director, and offers himself for re-election.

Resolution 4: Re-Election of Mr Joseph Miller as a Director

Resolution 4 is a resolution for the re-election of Mr Joseph Miller as a Director of the Company.

Pursuant to the Constitution of the Company, a Director appointed to fill a casual vacancy may only hold office until the next AGM unless re-elected at that AGM.

Mr Miller was appointed as a Director of the Company on 31 October 2014 upon settlement under the takeover occurring.

Mr Miller is eligible to be re-elected as a Director, and offers himself for re-election.

Resolution 5: Approval of Placement Facility

Under ASX Listing Rule 7.1A certain companies may seek shareholder approval by special resolution passed at an annual general meeting to have the additional capacity to issue equity securities which do not exceed 10% of the existing ordinary share capital without further shareholder approval.

The Company obtained shareholder approval for the issue of ordinary shares under Listing Rule 7.1A at its 2013 Annual General Meeting. The capacity to issue ordinary shares under Listing Rule 7.1A lapsed upon shareholders approving a change in the nature and scale of the Company's activities under Listing Rule 11.1.2 the general meeting of the Company held on 23 September 2014. The Company seeks shareholder approval to reinstate the ability to issue ordinary shares under Listing Rule 7.1A following the 2014 Annual General Meeting.

The Company issued no ordinary shares under Listing Rule 7.1A pursuant to the approval obtained at its 2013 Annual General Meeting.

The total number of equity securities of the Company on issue on 11 December 2013, being the date 12 months before the date of the 2014 AGM was 33,744,470 equity securities (on a post consolidation basis, see below regarding the consolidation). During the 12 month period before the date of the 2014 AGM the Company issued 437,967,470 equity securities (1,298%), further details of which are provided below.

At the general meeting of the Company held on 23 September 2014 shareholders approved issues of ordinary shares, Performance Shares and options. The issues of ordinary shares, Performance Shares and options were approved for the purposes of the Company's takeover bid for all the issued shares of Cocoon Data Holdings Limited [ACN 127 993 300] ("**Cocoon**"), an associated capital raising to raise up to \$15 million (before costs of the offer) ("**the Equity Offer**") and associated issues of ordinary shares upon conversion of Cocoon convertible notes and to advisers (collectively, "**the Merger Transaction**"). Further details about the issue of equity securities under the Merger Transaction, the Performance Shares and the consolidation were set out in the Company's notice of meeting for the general meeting held on 23 September 2014.

At the same general meeting, shareholders approved the consolidation of the Company's capital on the basis that every 10 then existing ordinary shares were to be consolidated to 1 ordinary share. The consolidation took effect on 30 September 2014. All numbers of shares referred to in the Notice and this Memorandum are on a post consolidation basis.

On 3 October 2014 the Company announced that it had received commitments for the full \$15 million subscription under the Equity Offer.

Settlement of the Merger Transaction occurred on 31 October 2014. The Company issued the following equity securities:

<i>Date</i>	<i>Number</i>	<i>Class</i>	<i>Recipients</i>	<i>Issue price</i>	<i>Form of consideration</i>
31-10-2014	237,314,632	Ordinary shares	Cocoon shareholders	Nil	Issued in consideration for the acquisition of Cocoon shares from Cocoon shareholders under the Takeover Offer announced on 30 June 2014, on the basis of 0.6547 ordinary shares and 0.0953 performance shares for every one Cocoon share.
	34,544,140	Performance shares			
31-10-2014	75,000,000	Ordinary shares	Subscribers under the Equity Offer	\$0.20	Cash*
31-10-2014	13,650,000	Ordinary shares	Cocoon convertible note holders	\$0.20	Conversion of convertible notes

<i>Date</i>	<i>Number</i>	<i>Class</i>	<i>Recipients</i>	<i>Issue price</i>	<i>Form of consideration</i>
31-10-2014	10,000,000	Ordinary shares	Advisors	Nil	In satisfaction of advisers introducing the Cocoon merger to the Company and assisting with its implementation
31-10-2014	34,722,656	Options*	Cocoon option holders	Nil	Pursuant to the Option Offer in the Company's prospectus dated 22 September 2014

** Funds raised by the Equity Offer remain unspent (other than for payment of costs) and are to be applied to the Company's working capital requirements and costs of the issue, as described in the Company's prospectus dated 22 September 2014.*

*** The options comprised 3,525,000 options exercisable at AUD\$0.2933 expiring 9 March 2016, 15,318,750 options exercisable at USD\$0.1467 expiring 31 October 2019, 878,906 options exercisable at USD\$0.1467 expiring 15 November 2014 and 15,000,000 options exercisable at AUD\$0.20 expiring 31 October 2019.*

Subsequent to the settlement of the Merger Transaction and prior to the date of the Notice of Meeting the Company has issued the following additional equity securities in response to acceptances received under the takeover offer:

<i>Date⁽¹⁾</i>	<i>Number</i>	<i>Class ⁽²⁾</i>	<i>Recipients</i>	<i>Issue price</i>	<i>Form of consideration⁽³⁾</i>
04-11-2014	1,282,665	Ordinary shares	Cocoon shareholders	Nil	Issued in consideration for the acquisition of Cocoon shares from Cocoon shareholders under the Takeover Offer announced on 30 June 2014, on the basis of 0.6547 ordinary shares and 0.0953 performance shares for every one Cocoon share
	186,707	Performance shares			

Approximately 11,402,703 further ordinary shares and 1,677,518 performance shares (subject to rounding) will be issued upon completion of the compulsory acquisition of outstanding Cocoon shares. A compulsory acquisition notice was lodged with ASIC on 31 October 2014 and has been dispatched to all Cocoon shareholders who had not accepted the Takeover Offer by that date.

If Resolution 5 is approved the Company may make an issue of ordinary shares under Listing Rule 7.1A at any time (either on a single date or progressively) up until the earlier of:

- the date which is 12 months after the date of the 2014 Annual General Meeting; or
- the date on which shareholders approve a transaction under Listing Rule 11.1.2 or 11.2.

Accordingly, the approval given if Resolution 5 is passed will cease to be valid on the earlier of 11 December 2015 or the date on which holders of the Company's ordinary securities approve a transaction under Listing Rule 11.1.2 or 11.2.

At the date of the Notice of Meeting of which this Memorandum forms part, the Company is an 'eligible entity', and therefore able to seek approval under Listing Rule 7.1A, as it is not included in the S&P/ASX300 and has a market capitalisation less than the amount prescribed by ASX (currently \$300 million). If at the time of the Annual General Meeting the Company is no longer an eligible entity Resolution 5 will be withdrawn.

The maximum number of ordinary shares which may be issued in the capital of the Company under the approval sought by Resolution 5 will be determined in accordance with the following formula prescribed in Listing Rule 7.1A.2:

$$(A \times D) - E$$

where:

- A is the number of shares on issue 12 months before the date of issue or agreement to issue:
- (i) plus the number of fully paid 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 fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4 (this does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval);
 - (iv) less the number of fully paid shares cancelled in the 12 months.
- 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 the approval of shareholders under Listing Rule 7.1 or 7.4.

The ability of the Company to make an issue under Listing Rule 7.1A is in addition to its 15% placement capacity under Listing Rule 7.1. The effect of Resolution 5 will be to allow the Company to issue ordinary shares under Listing Rule 7.1A without using the Company's 15% placement capacity under Listing Rule 7.1.

As at the date of the Notice of Meeting, the Company has 370,991,767 ordinary shares on issue and therefore would have capacity to issue:

- 55,648,765 equity securities under Listing Rule 7.1 (15% capacity); and
- 37,099,176 ordinary shares under Listing Rule 7.1A (10% capacity) if Resolution 5 is passed.

The actual number of shares which may be issued under Listing Rule 7.1A (and Listing Rule 7.1) will be a function of the number of shares on issue at the time an issue is proposed as calculated per the formula set out above. Examples of the Company's capacities under Listing Rule 7.1 (15% capacity) and Listing Rule 7.1A (10% capacity) if Resolution 5 is passed are included in the table on page 6.

The issue price of the ordinary shares issued under Listing Rule 7.1A will be determined at the time of issue. The minimum price at which the ordinary shares the subject of Resolution 5 will be issued is 75% of the volume weighted average market (closing) price ("VWAP") of the Company's ordinary shares over the 15 days on which trades in that class were recorded immediately before either:

- the date on which the price at which the securities are to be issued is agreed; or
- if the securities are not issued within 5 ASX trading days of the date in paragraph (a) the date on which the securities are issued.

If Resolution 5 is approved, and the Company issues ordinary shares under Listing Rule 7.1A, the existing shareholders' voting power in the Company will be diluted. There is a risk that:

- the market price for the Company's ordinary shares may be significantly lower on the issue date than on the date of the approval of Resolution 5; and

- the ordinary shares issued under Listing Rule 7.1A may be issued at a price that is at a discount (as described above) to market price for the Company's ordinary shares on the issue date;

which may have an effect on the amount of funds raised by the issue.

The following table shows the dilution of existing shareholders on the basis of:

- The market price of the Company's ordinary shares on 10 November 2014 being the last trade before the date of the Notice of Meeting, and the current number of the Company's post consolidation ordinary securities on issue as at the date of the Notice of Meeting.
- Two examples where the current number of ordinary shares on issue on a post consolidation basis ("A" in the formula set out above) has increased by: (1) 55,648,765; and (2) 100% (i.e. a doubling of the number of ordinary shares on issue in the Company). The number of ordinary shares on issue may increase as a result of issues of ordinary shares that do not require shareholder approval (for example, pro-rata entitlements issues) or as a result of future placements under Listing Rule 7.1 that are approved by shareholders.
- Two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the market price described above.

			Dilution		
			50% decrease in issue price	Issue Price **	50% increase in issue price
Variable "A" Listing Rule 7.1A.2	"A" is the current number of shares on issue (370,991,767 shares)	10% voting dilution	37,099,177 shares	37,099,177 shares	37,099,177 shares
		Funds raised	\$3,709,918	\$7,419,835	\$11,129,753
	"A" is the current number of shares on issue increased by 15%* (55,648,765 additional shares) resulting in a total of 426,640,532 shares	10% voting dilution	42,664,053 shares	42,664,053 shares	42,664,053 shares
		Funds raised	\$4,266,405	\$8,532,811	\$12,799,216
	"A" is the current number of shares on issue plus the CA Shares, all increased by 100% (i.e. number of shares currently on issue plus the CA Shares are doubled) to 741,983,534 shares	10% voting dilution	74,198,353 shares	74,198,353 shares	74,198,353 shares
		Funds raised	\$7,419,835	\$14,839,671	\$22,259,506

* Issues of ordinary shares are required to be made in accordance with the ASX Listing Rules. An issue made other than under the Company's 15% capacity (Listing Rule 7.1) or the Company's additional 10% capacity (Listing Rule 7.1A) and not otherwise made under an exception in Listing Rule 7.2 (for example, a pro-rata rights issue) or with prior shareholder approval would require shareholder approval.

** Based on the closing price (on a post consolidation basis) of the Company's shares on ASX on 10 November 2014.

Notes:

- The table assumes that the Company issues the maximum number of ordinary shares available under Listing Rule 7.1A.
- The table assumes that no options are exercised and no Performance Shares are converted before the date of the issue of ordinary shares under Listing Rule 7.1A.
- The table does not show an example of dilution that may be caused to a particular shareholder by reason of issues of ordinary shares under Listing Rule 7.1A based on that shareholder's holding at the date of the Notice of Meeting.
- The table shows the effect of an issue of ordinary shares under Listing Rule 7.1A, not under the Company's 15% placement capacity under Listing Rule 7.1.
- All shares are ordinary shares of the Company, on a post consolidation basis. Performance Shares cannot be issued under Listing Rule 7.1A and are not included.

If Resolution 5 is passed the Company will have the ability to issue up to 10% of its issued capital without further shareholder approval and therefore allow it to take advantage of opportunities to obtain further funds if required and available in the future.

As at the date of the Notice of Meeting the Company has not formed an intention to offer any ordinary shares under Listing Rule 7.1A to any particular person or at any particular time. The total amount that may be raised by the issue of equity securities under Listing Rule 7.1A will depend on the issue price of the ordinary shares which will be determined at the time of issue. In some circumstances the Company may issue ordinary shares under Listing Rule 7.1A for non-cash consideration (for example, in lieu of cash payments to consultants, contractors or vendors). While the Company has not formed an intention to offer any ordinary shares under Listing Rule 7.1A, some of the purposes for which the Company may issue ordinary shares under Listing Rule 7.1A include (but are not limited to):

- Raising funds to be applied to the Company's working capital requirements.
- Acquiring assets. In these circumstances the issue of the ordinary shares may be made in substitution for the Company making a cash payment for the assets. If the Company elects to issue the ordinary shares for the purpose of acquiring assets then the Company will release to the market a valuation of the assets prior to issuing the shares.
- Paying contractors or consultants of the Company.

Details regarding the purposes for which any particular issue under Listing Rule 7.1A is made will be more fully detailed in an announcement to the ASX made pursuant to Listing Rule 7.1A.4 and Listing Rule 3.10.5A at the time the issue is made. The identity of the allottees of ordinary shares under Listing Rule 7.1A will be determined at the time the Company decides to make an issue having regard to a number of factors including:

- the capital raising and acquisition opportunities available to the Company and any alternative methods for raising funds or acquiring assets that are available to the Company;
- the potential effect on the control of the Company;
- the Company's financial situation and the likely future capital requirements; and
- advice from the Company's corporate or financial advisors.

Offers made under Listing Rule 7.1A may be made to parties including professional and sophisticated investors, existing shareholders of the Company, clients of Australian Financial Service License holders and/or their nominees, or any other person to whom the Company is able to make an offer of ordinary shares.

The allocation policy the Company may adopt for a particular issue of ordinary shares under Listing Rule 7.1A and the terms on which those ordinary shares may be offered will depend upon the circumstances existing at the time of the proposed capital raising under Listing Rule 7.1A. Subject to the requirements of the ASX Listing Rules and the Corporations Act, the Directors reserve the right to determine, at the time of any issue of ordinary shares under Listing Rule 7.1A, the allocation policy the Company will adopt for that issue.

Resolution 5 is a special resolution. For a special resolution to be passed, at least 75% of the votes validly cast on the resolution by shareholders (by number of shares) must be in favour of the resolution.

The Directors of the Company believe that Resolution 5 is in the best interests of the Company and unanimously recommend that shareholders vote in favour of Resolution 5.

A voting exclusion statement is set out in the Notice of Meeting.

Resolution 6: Replacement of Auditor

It is proposed that KPMG, the present auditor of Cocoon Data Holdings Limited ("**Cocoon**"), be appointed as the auditor of the Company and its subsidiaries (which will include Cocoon). The appointment of KPMG will provide for continuity in the audit of the main operating entity within the post merger group. This will also avoid duplication of work and costs.

KPMG has been nominated for appointment as auditor by a member of the Company. A copy of the nomination is attached in Annexure A.

The appointment of KPMG involves a change of auditor which must be undertaken in accordance with the Corporations Act 2001.

If the requirements of the Act including ASIC approval have not been completed by the date of the AGM, HLB Mann Judd will continue as auditor pending ASIC approval for the change of auditor being received.

The Directors of the Company believe that Resolution 6 is in the best interests of the Company and unanimously recommend that shareholders vote in favour of Resolution 6, subject to the receipt of ASIC's approval prior to the AGM.

Annexure A
(Resolution 6)
Nomination of auditor

The Company Secretary
Covata Limited
Level 4, 156 Clarence Street
SYDNEY NSW 2000

11 November 2014

Dear Sir

Notice of nomination of proposed auditor

Pursuant to Section 328B(1) of the *Corporations Act 2001*, I **TRENT TELFORD**, being a member of Covata Limited [ACN 120 658 497], hereby give you notice of the nomination of KPMG of Level 11, Corporate Centre One, Cnr Bundall Road & Slatyer Avenue, Bundall, QLD, 4217 as auditor of Covata Limited.

Yours faithfully



.....
Trent Telford

COVATA LIMITED
ACN 120 658 497
(formerly "Prime Minerals Limited")

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

CVT-88800013933

PROF YEW KWANG NG
102 NANYANG CRESCENT
#11-05
637820
SINGAPORE SGP

Sub-Register	CHESS
HIN / SRN	X40046763

Supplementary Form of Proxy

Please mark ☒ to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

PLEASE NOTE: This proxy is solicited on behalf of the management of Covata Limited ACN 120 658 497 (the "Company") for use at the meeting of the shareholders of the Company to be held at Medina Apartment Hotel Sydney, Harbourside, 55 Shelley Street, King Street Wharf Sydney, NSW 2000, in the Spinnaker Room on 11 December 2014 at 9:00am (AEDT) or any adjournment thereof (the "Meeting").

I/We being a member/s of Covata Limited hereby appoint

the Chairman
of the meeting

OR



PLEASE NOTE: If you leave the section blank, the Chairman of the Meeting will be your proxy.

or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions at the Meeting and at any adjournment of that meeting.

If you have not appointed the Chairman of the Meeting as your proxy and you are appointing a second proxy please complete the following: Proxy 1 is appointed to represent _____% of my voting right and Proxy 2 is appointed to represent _____% of my total votes. My total voting right is _____ shares.

PLEASE NOTE: If the appointment does not specify the proportion or number of votes that the proxy may exercise, each proxy may exercise half the votes.

With respect to any amendment or variations to the matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting, I/we confer discretionary authority on the person voting on behalf of me/us to vote as that person sees fit. At the time of printing this Form of Proxy, management knows of no such amendment, variation or other matter.

STEP 2 Items of Business



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

If you wish to indicate how your proxy is to vote, please tick the appropriate places below.

FOR AGAINST ABSTAIN

Resolution 1: Non-binding resolution to adopt Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2: Re-Election of Mr Charles (Chuck) Archer as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3: Re-Election of Mr Phillip Dunkelberger as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4: Re-Election of Mr Joseph Miller as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5: Approval of Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6: Change of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no choice is specified, the shareholder is conferring discretionary authority on the proxy to vote at his or her discretion. However, the Chairman intends to vote FOR the resolution above.

SIGN

Signing by member

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

Individual or Member 1

Sole Director and Sole Secretary

Member 2 (if joint holding)

Director/Company Secretary

Member 3 (if joint holding)

Director

/ /

Date



Important

Please bring this form to the meeting to assist in registration.



By Mail:

Advanced Share Registry Limited
PO Box 1156
Nedlands WA 6909

Alternatively you can fax your form to
Facsimile: +61 (0) 8 9262 3723

For Online Vote
www.advancedshare.com.au

For all enquiries call:

Telephone: +61 (0) 8 9389 8033
Email: admin@advancedshare.com.au

Proxy Form

PROXY AND VOTING INSTRUCTIONS

A member who is entitled to vote at a meeting may appoint:

- one proxy if the member is only entitled to one vote; and
- one or two proxies if the member is entitled to more than one vote.

Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion of the member's voting rights. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes in which case any fraction of votes will be disregarded.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be lodged at the Share Registry of the Company or sent by facsimile transmission to the Share Registry of the Company on (08) 9262 3723 not less than 48 hours before the time for holding the Meeting, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

The proxy form must be signed by the member or his/her attorney duly authorised in writing or, if the member is a corporation, in a manner permitted by the Corporations Act. A proxy given by a foreign corporation must be executed in accordance with the laws of that corporation's place of incorporation.

The proxy may, but need not, be a member of the Company.

A proxy form is attached to this Notice.

If you sign the proxy form and do not appoint a proxy, you will have appointed the Chair of the meeting as your proxy.

Corporate Representatives

Any corporation which is a member of the Company may authorise (by certificate under common seal or other form of execution authorised by the laws of that corporation's place of incorporation, or in any other manner satisfactory to the chairperson of the Meeting) a natural person to act as its representative at any general meeting.

Attending the Meeting

Please bring this form to assist registration. If a representative of a corporate shareholder or proxy is to attend the meeting you will need to provide the 'Appointment of Corporate Representative' form prior to admission. This may be obtained from Advanced Share or online at www.advancedshare.com.au under the 'Investors' and 'General Forms' tab.

Voting Entitlement

For the purposes of the Corporations Act and Corporations Regulations shareholders entered on the Company's Register of Members as at 8pm on 9 December 2014 (Sydney, NSW time) are entitled to attend and vote at the meeting.

On a poll, members have one vote for every fully paid ordinary share held. Holders of options are not entitled to vote.

How the Chair Will Vote Undirected Proxies

The Chair of the meeting will vote undirected proxies in favour of all of the proposed resolutions.

Proxies that are Undirected on Resolution 1 (Remuneration Report)

The current Chair of the Company, Mr Archer, is not one of the 30 June 2014 key management personnel whose remuneration details are included in the 2014 remuneration report or a closely related party of such a member. The Chair is therefore eligible to vote on Resolution 1. If you appoint the Chair of the meeting as your proxy (or if he may be appointed by default) and do not direct him how to vote on Resolution 1 he will vote your proxy in favour of Resolution 1.

The Remuneration Report identifies key management personnel for the year ending 30 June 2014. Their closely related parties are defined in the Corporations Act 2001 (Cth) and include specified family members, dependents and companies they control.

Former directors of the Company who are key management personnel whose remuneration details are included in the 2014 remuneration report, any other key management personnel whose remuneration details are included in the 2014 remuneration report, or any of their closely related parties, will not be able to vote on Resolution 1 or to vote undirected proxies held by them on Resolution 1.

Special Resolution

For a special resolution to be passed, at least 75% of the votes validly cast on the resolution by shareholders (by number of shares) must be in favour of the resolution.

Turn over to complete the form →



CHECK OUT OUR WEBSITE at
www.advancedshare.com.au

- Check all holdings by using HIN/SRN
- Update your holding details
- Reprint various documents online