



TORO ENERGY LIMITED

ABN: 48 117 127 590

2018 ANNUAL GENERAL MEETING

NOTICE OF MEETING AND EXPLANATORY MEMORANDUM

10:00AM (WST), THURSDAY 29 NOVEMBER 2018

**COUNTRY WOMEN'S ASSOCIATION OF WA (INC) HOUSE, 1176 HAY STREET
WEST PERTH, WESTERN AUSTRALIA**

This Notice of Annual General Meeting and Explanatory Memorandum should be read in their entirety.
If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant,
solicitor or other professional adviser without delay.



TORO ENERGY LIMITED
ABN 48 117 127 590

NOTICE OF ANNUAL GENERAL MEETING

CORPORATE DIRECTORY

Directors	Richard Homsany, Executive Chairman Michel Marier, Non-Executive Director Richard Patricio, Non-Executive Director
Company Secretary	Katherine Garvey
Registered Office and Principal Place of Business	60 Havelock St, West Perth WA 6005 PO Box 584, West Perth WA 6872 Phone: +61 8 9214 2100 Fax: +61 8 9226 2958
Share Registry	Computershare Investor Services Pty Ltd Level 11, 172 St Georges Terrace, Perth WA 6000
Auditor	Grant Thornton Level 1, 10 Kings Park Road, West Perth WA 6005
Securities Exchange Listing	ASX Limited (ASX: TOE)



TORO ENERGY LIMITED
ABN 48 117 127 590

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Toro Energy Limited will be held at Country Women's Association of WA (Inc) House, 1176 Hay Street, West Perth Western Australia, at 10:00am (WST) on Thursday, 29 November 2018.

The attached Explanatory Memorandum is provided to supply Shareholders with information to enable them to make an informed decision regarding the resolutions set out in this Notice. The business of the Annual General Meeting affects your shareholding in the Company and your vote is important.

The Explanatory Memorandum is intended to be read in conjunction with, and forms part of, this Notice. Terms and abbreviations used in this Notice are defined in the Glossary contained in the Explanatory Memorandum.

AGENDA

Financial, Directors' and Auditor's Report

To receive and consider the 2018 Annual Report and the reports of the Directors and the auditor of the Company thereon.

Resolution 1 – Adoption of the Remuneration Report (Non-Binding)

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

"That for the purpose of section 250R(2) of the Corporations Act, and for all other purposes, the Company adopt the Remuneration Report for the year ended 30 June 2018."

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

Voting Prohibition Statement

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any 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 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 the 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 if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company, or if the Company is part of a consolidated entity, for the entity.



TORO ENERGY LIMITED
ABN 48 117 127 590

NOTICE OF ANNUAL GENERAL MEETING

Resolution 2 – Re-election of Michel Marier

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

"That Michel Marier, being a Director who retires in accordance with the Constitution, and being willing and eligible for re-election, is hereby re-elected as a Director."

Resolution 3 – 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 purpose of ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totaling up to 10% of the Shares on issue (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion Statement

For the purposes of ASX Listing Rule 7.1A the Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in, or who might 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) if the Resolution is passed or any associate of such a person.

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.

Resolution 4 – Removal of Auditor

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

"That Grant Thornton Audit Pty Ltd, the current auditor of the Company, be removed as the auditor of the Company effective from the date of the Meeting."

Resolution 5 – Appointment of Auditor

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

"That, subject to the passing of Resolution 4, Moore Stephens, being qualified to act as auditor of the Company and having consented to act as the auditor of the Company, be appointed as auditor of the Company effective from the date of the Meeting and the Directors be authorised to agree the remuneration."



TORO ENERGY LIMITED
ABN 48 117 127 590

NOTICE OF ANNUAL GENERAL MEETING

Other Business

To deal with any other business that may be lawfully brought forward.

BY ORDER OF THE BOARD OF DIRECTORS

Richard Homsany
Executive Chairman
23 October 2018



TORO ENERGY LIMITED
ABN 48 117 127 590

NOTICE OF ANNUAL GENERAL MEETING

Attendance and Voting Eligibility

The Company has determined, in accordance with regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), that the Shares quoted on the ASX at 5:00pm (WST) on Tuesday, 27 November 2018 shall be taken, for the purposes of the Annual General Meeting, to be held by the persons who held them at that time. Accordingly, those persons are entitled to attend and vote (if not excluded) at the Meeting.

Proxies

A Shareholder who is entitled to attend and vote has a right to appoint a proxy to attend and vote instead of the Shareholder. A proxy need not be a Shareholder and can be either an individual or a body corporate. If a Shareholder appoints a body corporate as a proxy that body corporate will need to ensure that it:

- appoints an individual as its corporate representative to exercise its powers at the Meeting, in accordance with section 250D of the Corporations Act; and
- provides satisfactory evidence of the appointment of its corporate representative prior to commencement of the Meeting.

If such evidence is not received before the Meeting, then the body corporate (through) its representative will not be permitted to act as proxy.

A Shareholder that is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the Shareholder's votes. If you wish to appoint a second proxy, an additional proxy form may be obtained by telephoning the Company's share registry or you may copy the enclosed proxy form. To appoint a second proxy, you must follow the instructions on the proxy form.

Sections 250BB and 250BC of the Corporations Act took effect on 1 August 2011 and apply to voting by proxy. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this meeting. Broadly, the changes mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the chairman of the meeting, who must vote the proxies as directed.

If the proxy has two or more appointments that specify different ways to vote on a resolution, the proxy must not vote on that resolution on a show of hands.

A Proxy Form accompanies this Notice and to be effective the Proxy Form and the power of attorney or other authority (if any) under which it is signed (or a certified copy) must be received by the Company no later than 48 hours before the commencement of the Meeting by:

- **Online:** for Shareholders, by visiting www.investorvote.com.au.
- **Mail:** to Computershare Investor Services Pty Ltd at GPO Box 242, Melbourne, Victoria 3001, Australia.
- **Facsimile:** 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia).
- **By mobile:** Scan the QR Code on your proxy form and follow the prompts
- **Custodian voting:** for intermediary online subscribers (custodians), by visiting www.intermediaryonline.com to submit your voting intentions.

Further details on how to lodge your Proxy Form can be found on the reverse side of the Proxy Form.



TORO ENERGY LIMITED
ABN 48 117 127 590

NOTICE OF ANNUAL GENERAL MEETING

Proxies must be received by the Company no later than 48 hours prior to the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the Meeting.

Proxies given by corporate Shareholders must be executed in accordance with their constitutions, or signed by a duly authorised attorney. A proxy may decide whether to vote on any motion, except where the proxy is required by law or the Constitution to vote, or abstain from voting, in their capacity as proxy.

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

Proxy Restrictions

Shareholders (who are not a member of the Key Management Personnel details of whose remuneration are including in the Remuneration Report or a Closely Related Party of that member) appointing a proxy for Resolution 1 should note the following:

If you appoint a member of the Key Management Personnel as your proxy

If you elect to appoint a member of Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of that member, you must direct the proxy how they are to vote. Undirected proxies granted to these persons will not be included in any vote on Resolution 1.

If you appoint the Chair as your proxy

If you elect to appoint the Chair as your proxy, you do not need to direct the Chair how you wish the Chair to exercise your vote on Resolution 1, however if you do not direct the Chair how to vote, you acknowledge that the Chair may exercise his or her discretion in exercising your proxy even though Resolution 1 is connected directly or indirectly with the remuneration of Key Management Personnel for the Company, or if the Company is part of a consolidated entity, for that entity. **The Chair intends to vote all undirected proxies in favour of Resolution 1**, even though Resolution 1 is connected directly or indirectly with the remuneration of a member of Key Management Personnel, which includes the Chairman.

The Chair also intends to vote all undirected proxies in favour of each of Resolutions 2, 3, 4 and 5.

If you appoint any other person as your proxy

You do not need to direct your proxy how to vote.

Powers of Attorney and Corporate Representatives

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

A body corporate member or proxy may elect to appoint a representative, rather than appoint a proxy. Where a body corporate appoints a representative, written proof of the representative's appointment must be lodged with, or presented to, the Company before the Meeting.

If you have any questions about this Notice or your Proxy Form please contact Company's share registry, Computershare Investor Services Pty Ltd, at 1300 556 161 or (within Australia) +61 3 9415 4000 (outside Australia).



TORO ENERGY LIMITED
ABN 48 117 127 590

NOTICE OF ANNUAL GENERAL MEETING

This Explanatory Memorandum and all attachments are important documents. They should be read carefully.

If you have any questions regarding the matters set out in this Explanatory Memorandum or the preceding Notice, please contact the Company, your stockbroker or other professional adviser.

General Information

This Explanatory Memorandum has been prepared to assist Shareholders to understand the business to be put to Shareholders at the forthcoming Annual General Meeting to be held at 10:00am (WST) on Thursday, 29 November 2018.

The purpose of the Explanatory Memorandum is to provide Shareholders with information that the Board believes to be material to Shareholders in deciding whether or not to approve the above resolutions in the Notice (of which this Explanatory Memorandum forms a part).

AGENDA

Financial Report, Directors' and Auditor's Report

The Corporations Act requires:

- the reports of the Directors and auditors; and
- the 2018 Annual Report,

to be laid before the Annual General Meeting. Neither the Corporations Act nor the Constitution requires a vote of Shareholders on the reports or statements. However, Shareholders at the Meeting will be given reasonable opportunity to raise questions or comments.

Reasonable opportunity will also be given to Shareholders at the Meeting to ask the Company's auditor questions relevant to the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

The Company will not provide a hard copy of the 2018 Annual Report to Shareholders unless specifically requested to do so. The 2018 Annual Report is available on the Company's website at www.toroenergy.com.au.

Resolution 1 – Adoption of the Remuneration Report (Non-Binding)

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 Board or the Company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' report contained in the 2018 Annual Report.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.



NOTICE OF ANNUAL GENERAL MEETING

Voting consequences

While the vote does not bind the Company or the Directors, there are important consequences if there is a material 'against' vote on Resolution 1. Changes to the Corporations Act that came into effect on 1 July 2011 introduced what is referred to as the 'two strikes' rule, whereby if at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report in two consecutive annual general meetings, a company will be required to put to its shareholders a resolution proposing the calling of a general meeting to consider the appointment of directors of the company (the **Spill Resolution**) at the second annual general meeting.

If at least 25% of the votes cast on Resolution 1 at the Annual General Meeting are voted against adoption of the Remuneration Report, this will constitute a 'first strike', and if at least 25% of the votes are cast against the 2018 Remuneration Report resolution at the Company's 2018 annual general meeting, constituting a 'second strike', then the Company will be required to put to Shareholders a resolution proposing the calling of a general meeting to consider a Spill Resolution.

The Board considers that the Company's remuneration arrangements as set out in the Remuneration Report are fair, reasonable and appropriate, in line with industry standards and structured in a way that the Company can attract and retain suitably qualified and experienced employees to manage the Company.

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

Resolution 2 – Re-election of Michel Marier

Rule 6.1 of the Constitution requires that at every annual general meeting of the Company, one third of Directors (after excluding a Director who is the Managing Director or any Director appointed by the Board since the date of the last annual general meeting of the Company), or if the number of Directors is not three or a multiple of three then the number nearest to but not exceeding one third, must retire from office and if eligible seek re-election in accordance with Rule 6.4 of the Constitution.

Accordingly, Mr Marier retires by rotation and, being willing and eligible, offers himself for re-election.

The experience and qualifications of, and other information about, Mr Marier can be found in the 2018 Annual Report.

The Directors (excluding Mr Marier) recommend that Shareholders vote in favour of Resolution 2.

Resolution 3 – Approval of 10% Placement Capacity

Background

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an eligible entity to issue equity securities up to 10% of its issued share capital over a 12 month period after the eligible entity's annual general meeting (**10% Placement Capacity**). The 10% Placement Capacity is in addition to the entity's 15% placement capacity under ASX Listing Rule 7.1.

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an Eligible Entity for the purposes of ASX Listing Rule 7.1A. As at the date of this Notice the market capitalisation of the Company is approximately \$58,350,000.

If Shareholders approve Resolution 3, 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 (as set out in the Summary of ASX Listing Rule 7.1A (b) below).

The effect of Resolution 3 will be to allow the Directors to issue Equity Securities under Listing Rule 7.1A during the period of 12 months after the Meeting without subsequent Shareholder approval and without using the Company's 15% placement capacity under ASX Listing Rule 7.1.



NOTICE OF ANNUAL GENERAL MEETING

Resolution 3 is a special resolution. Accordingly 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 3 for it to be passed.

Summary of ASX Listing Rule 7.1A

(a) Equity Securities

Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing quoted class of Equity Securities. At the date of this Notice, the Company has one class of quoted Equity Securities, being its Shares.

(b) Formula for calculating 10% Placement Capacity

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:

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

Where:

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

- (a) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (b) plus the number of partly paid shares that became fully paid in the 12 months;
- (c) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rules 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;
- (d) less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in ASX 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 ASX 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 Rules 7.1 or 7.4.

Information required by ASX Listing Rule 7.3A

Under ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 3:

(a) Minimum Price at which Equity Securities may be issued

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 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 Trading Days of the date in paragraph (a)(i) above, the date on which the Equity Securities are issued.



NOTICE OF ANNUAL GENERAL MEETING

(b) Risk of economic and 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 3 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 current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice assuming the full 10% dilution.

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	Dilution			
	Issue Price (per Share)	\$0.0145 (50% decrease in issue price)	\$0.029 (Issue price)	\$0.0435 (50% increase in issue price)
2,161,293,854 (As at date of Notice)	Shares issued	216,129,385	216,129,385	216,129,385
	Funds Raised	\$3,133,876	\$6,267,752	\$9,401,628
3,241,950,781 (50% increase)*	Shares issued	324,195,078	324,195,078	324,195,078
	Funds Raised	\$4,700,829	\$9,401,657	\$14,102,486
4,322,587,708 (100% increase)*	Shares issued	432,258,771	432,258,771	432,258,771
	Funds Raised	\$6,267,752	\$12,535,504	\$18,803,257

*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 ASX Listing Rule 7.1.

The table above uses the following assumptions:

1. The current Shares on issue are as at the date of the Notice.
2. The issue price set out above is the closing price of the Shares on 23 October 2018 of \$0.029.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity hence the voting dilution is shown in each example as 10%.
4. 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, and if necessary seek advice from their professional advisers.
5. No Options are exercised into Shares before the date of issue of the Equity Securities.
6. The table shows only the effect of issues of Equity Securities under ASX Listing Rule 7.1A, and not dilution under the 15% placement capacity under ASX Listing Rule 7.1, under ASX Listing Rule 7.2, or Shareholder approvals under ASX Listing Rule 7.1.
7. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. If the issue of Equity Securities includes listed options, it is assumed that those listed options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.



NOTICE OF ANNUAL GENERAL MEETING

Shareholders should note that there is a risk that:

- (i) the market price for the Equity Securities to be issued may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for those Equity Securities on the date of issue.

(c) Date of Issue

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

- (i) 12 months after the date of this 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),

(10% Placement Capacity Period).

(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 working capital, the continued development of the Company's Wiluna Uranium Project and the exploration of the Company's Yandal Gold Project; or
- (ii) as non-cash consideration for the acquisition of new resources assets and investments, in such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3.

(e) Allocation policy for issues under the 10% Placement Capacity

The allottees of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the allottees of Equity Securities will be current Shareholders or new investors (or both), but in either case will not be related parties of the Company.

The Company will determine the allottees 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).

(f) Previous Approval under ASX Listing Rule 7.1A

The Company has previously obtained approval from Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 23 November 2017 (**2017 Previous Approval**), at its annual general meeting held on 17 November 2016, at its annual general meeting held on 18 November 2015, at its annual general meeting held on 27 November 2014, its annual general meeting held on 28 November 2013 and also at its general meeting held on 28 November 2012.



NOTICE OF ANNUAL GENERAL MEETING

During the 12 month period preceding the date of the Meeting, being on and from 23 November 2017 the Company did not issue any Equity Securities pursuant to the 2017 Previous Approval.

No equity securities have been issued in the Company in the twelve months to the date of this Notice. At the date of this Notice the equity securities of the Company constituted 2,161,293,854 Shares and 42,750,000 Options. Accordingly, there are no details of issues of Equity Securities by the Company during the 12 month period preceding the date of the Meeting to be provided to Shareholders as required by Listing Rule 7.3A.6.

(g) Voting exclusion statement

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder or security holder 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 3.

Compliance with ASX Listing Rules 7.1A.4 and 3.105A

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

- (i) a list of 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.

The Directors consider that the approval of the issue of the 10% Placement Capacity described above is beneficial for the Company as it provides the Company with the flexibility to issue up to the maximum number of securities permitted under ASX Listing Rule 7.1A in the next 12 months (without further Shareholder approval), should it be required. At the date of the Notice, the Company has no plans to use the 10% Placement Capacity should it be approved.

Resolution 4 and Resolution 5 – Removal of Grant Thornton Audit Pty Ltd as Auditor and Appointment of Moore Stephens as Auditor

Under section 329 of the Corporations Act, the auditor of a company may be removed from office by resolution at a general meeting of which two (2) months notice of intention to move the resolution has been given. It should be noted that under this section, if a company calls a meeting after the notice of intention has been given, the meeting may pass the resolution even though the meeting is held less than two (2) months after the notice of intention is given.

The Notice of Intention to remove Grant Thornton Audit Pty Ltd has been given to Grant Thornton Audit Pty Ltd and the Australian Securities and Investments Commission, and is provided to Shareholders with this Notice in accordance with the Corporations Act.

If Grant Thornton Audit Pty Ltd is removed under Resolution 4, the Directors propose that Moore Stephens be appointed as the Company's auditor effective from the date of the Meeting (which appointment is the subject of Resolution 5). The notice of intention to remove Grant Thornton Audit Pty Ltd as auditor of the Company and to appoint Moore Stephens as auditor of the Company is provided to Shareholders in Appendix A to this Notice of Meeting. Moore Stephens has given its written consent to act as the Company's auditor in accordance with section 328A(1) of the Corporations Act.

Enquiries

Shareholders are invited to contact the Company Secretary, Katherine Garvey on +61 8 9214 2100 if they have any queries in respect of the matters set out in this Notice.



NOTICE OF ANNUAL GENERAL MEETING

GLOSSARY

In this Explanatory Memorandum and Notice of Annual General Meeting:

2018 Remuneration Report means that section of the Directors' report contained in the 2018 Annual Report, under the heading 'Remuneration Report', prepared in accordance with Section 300A of the Corporations Act.

2018 Annual Report means the annual report of the Company including the reports of the Directors and auditor and the financial statements of the Company for the financial year ended 30 June 2018, which can be downloaded from the Company's website at www.toroenergy.com.au.

\$ means Australian dollars.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) and the market operated by it, as the context requires.

ASX Listing Rules or **Listing Rules** means the official listing rules of ASX and any other rules of ASX which are applicable while the Company is admitted to the official list of ASX, each as amended or replaced from time to time except to the extent of any express written waiver by ASX.

Board means the board of Directors.

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

Chair means the chairperson of the Meeting.

Closely Related Party is defined in respect of a member of Key Management Personnel as:

- a spouse or child of the member;
- a child of the member's spouse;
- a dependent of the member or the member's spouse;
- 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 dealings with the Company;
- a company the member controls; or
- a person prescribed by regulations that may be made for this purpose.

Company or **Toro** means Toro Energy Limited (ABN 42 090 169 154).

Constitution means the constitution of the Company.

Corporations Act means the *Corporations Act 2001* (Cth) and any regulations made under it, each as amended from time to time.

Director means a director of the Company.

Director Option means an Option issued on the terms and conditions set out in Annexure "B".

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the A&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.



TORO ENERGY LIMITED
ABN 48 117 127 590

NOTICE OF ANNUAL GENERAL MEETING

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an equity security.

Explanatory Memorandum means the explanatory memorandum that accompanies and forms part of the Notice.

Incentive Plan is defined in the section of the Explanatory Memorandum that relates to Resolution 4

Key Management Personnel has the same meaning given 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).

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

Notice or Notice of Meeting means the notice of Annual General Meeting accompanying this Explanatory Memorandum.

Option means an option to acquire a Share.

Proxy Form means the proxy form attached to the Notice.

Remuneration Report means that section of the Directors' report contained in the 2018 Annual Report, under the heading 'Remuneration Report', prepared in accordance with Section 300A of the Corporations Act.

Resolution means a resolution contained in the Notice.

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

Shareholder means the holder of a Share.

Trading Day means a day determined by ASX to be a trading day and notified to market participants being:

- (a) a day other than:
 - (i) a Saturday, Sunday, New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day; and
 - (ii) any other day which ASX declares and publishes is not a trading day; and
- (b) notwithstanding (a), a day which for the purposes of settlement, ASX declares is a trading day notwithstanding that dealings between market participants are suspended on that day.

WST means Western Standard Time, as observed in Perth, Western Australia.

Where a word or phrase is given a defined meaning, another part of speech or other grammatical form in respect of that word or phrase has a corresponding meaning.



Appendix A

Notice to remove Grant Thornton Audit Pty Ltd as auditor of the Company and to appoint Moore Stephens as auditor of the Company

22 October 2018

The Board of Directors
Toro Energy Limited

Removal of Grant Thornton Audit Pty Ltd as Company Auditor

Mega Uranium Ltd of 60 Havelock Street, West Perth WA, being a member of Toro Energy Limited (the **Company**), requests that the Company convene a general meeting to consider and, if thought fit, to pass resolutions that:

- (a) Grant Thornton Audit Pty Ltd be removed as auditor of the Company; and
- (b) Moore Stephens be appointed as the new auditor of the Company.

For the purposes of Section 328B(1) of the *Corporations Act 2001* (Cth) you are hereby given notice of the nomination of Moore Stephens of Exchange Plaza, 2 The Esplanade, Perth WA 6005 as auditor of the Company.

Yours sincerely

Richard Homsany
For and on behalf of Mega Uranium Ltd



toro energy

AUSTRALIA'S URANIUM

ABN 48 117 127 590

Lodge your vote:



Online:

www.investorvote.com.au



By Mail:

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

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

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

TOE

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

Proxy Form

XX



Vote and view the annual report online

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

Your access information that you will need to vote:

Control Number: 9999999

SRN/HIN: I9999999999

PIN: 99999

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



For your vote to be effective it must be received by 10:00am (WST) Tuesday, 27 November 2018

How to Vote on Items of Business

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

Appointment of Proxy

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

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

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

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

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

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

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

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

Attending the Meeting

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

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

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

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



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



I 9999999999

IND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1

Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Toro Energy Limited hereby appoint

☐

the Chairman
of the Meeting OR



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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Toro Energy Limited to be held at the Country Women's Association of WA (Inc) House, 1176 Hay Street, West Perth, Western Australia on Thursday, 29 November 2018 at 10:00am (WST) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box in step 2 below.

STEP 2

Items of Business



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

		For	Against	Abstain
Resolution 1	Adoption of the Remuneration Report (Non-Binding)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Michel Marier	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Removal of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

SIGN

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

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

_____ / /
Date

TOE

999999A

Computershare +