

# South Pacific Resources Limited

ABN 30 073 099 171

## Notice of General Meeting and Explanatory Statement

The General Meeting of the Company will be held at Level 5, 56 Pitt Street, Sydney NSW 2000 at 11am (AEST) on Tuesday, 20 August 2019

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**This is an important document. Please read it carefully.**

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

If you are unable to attend the General Meeting, please complete the Proxy Form enclosed and return it in accordance with the instructions set out on the Proxy Form.

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## Time and Place of Meeting and How to Vote

### Venue

The General Meeting of Shareholders of South Pacific Resources Limited will be held at:

Level 5, 56 Pitt Street Sydney NSW 2000	Commencing 11am (AEST), Tuesday 20 <sup>th</sup> August 2019
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### How to Vote

You may vote by attending the General Meeting in person, by proxy or authorised representative.

### Voting in Person

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

### Voting by Proxy

To vote by proxy, please complete the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

**Your proxy form is enclosed at the end of the Explanatory Statement.**

### Voting by Authorised Representative

Any corporate shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

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### Proxy Form

# South Pacific Resources Limited

ABN 30 073 099 171

## Chairman's Letter

Dear Shareholders

The Directors of the Company are seeking to restructure South Pacific Resources Limited at this General Meeting by proposing that Shareholders:

- Approve the issue of Shares in payment of Trade Creditors; and
- Approve the issue of Shares to redeem Convertible Notes.

The Directors are of the opinion that by discharging outstanding trade creditors and convertible notes, the Company will be in a stronger financial position .

It is important that you read the information set out in the attached documents and form your own view on the merits of the resolutions proposed. The Directors intend to vote their Shares in favour of all resolutions, subject to any applicable voting exclusion statements set out in the Notice of Meeting.

Yours faithfully

Domenic Martino  
Director

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# South Pacific Resources Limited

ABN 30 073 099 171

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## Notice of General Meeting

Notice is hereby given that a General Meeting of shareholders of South Pacific Resources Limited will be held at Level 5, 56 Pitt Street, Sydney NSW 2000 at 11.00am (AEST) on Tuesday, 20<sup>th</sup> August 2019 (**General Meeting**).

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

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered as Shareholders at 5.00pm (AEST) on Sunday, 18<sup>th</sup> August 2019.

Capitalised terms and abbreviations used in this Notice of Meeting and the Explanatory Statement are defined in Section 6 of the Explanatory Statement.

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## Agenda

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### Resolution 1 – Approval of Share Issue to Trade Creditors - Conversion of Debt to Equity

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

*"That for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue and allot up to 58,958,202 fully paid ordinary Shares in the capital of the Company at an issue price of \$0.015 per Share in satisfaction of amounts owing to various trade creditors on the terms and conditions set out 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
- any associates of 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 person chairing the General 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 2 – Approval of Share Issue to Related Party Trade Creditors - Conversion of Debt to Equity

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

*"That, subject to the passing of Resolutions 1 and 3, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue and allot up to 82,196,084 Shares in the capital of the Company at an issue price of \$0.015 per Share in satisfaction of amounts owing to Related Party Trade Creditors, on the terms and conditions set out 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
- any associates of 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 person chairing the General 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 3 – Approval of Share Issue to Convertible Noteholder on Conversion of Convertible Notes**

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

*"That, subject to the passing of Resolutions 1 and 2, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue and allot up to 59,024,614 Shares in the capital of the Company at an issue price of \$0.015 per Share in satisfaction of the convertible notes outstanding, on the terms and conditions set out 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
- any associates of 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 person chairing the General 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.

Dated this 17<sup>th</sup> day of July 2019

By Order of the Board

Domenic Martino  
Director

#### **Notes:**

1. A Shareholder of the Company who is entitled to attend and vote at a general meeting of Shareholders is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a Shareholder of the Company.
2. Where a voting exclusion applies, 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 to vote as the proxy decides 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.
3. In accordance with Regulation 7.11.37 of the Corporations Act, the Directors have set a snapshot date to determine the identity of those entitled to attend and vote at the Meeting. The snapshot date is 5.00pm (AEST) on Sunday, 18<sup>th</sup> August 2019.

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# South Pacific Resources Limited

ABN 30 073 099 171

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## Explanatory Statement

This Explanatory Statement has been prepared for the information of Shareholders in connection with the business to be conducted at the General Meeting of the Shareholders of South Pacific Resources Limited (**Company** or **SPB**) to be held at Level 5, 56 Pitt Street, Sydney NSW 2000 at 11.00am (AEST) on Tuesday, 20<sup>th</sup> August 2019 (**General Meeting**).

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

### Summary

The key business to be conducted at the General Meeting relates to the Company's proposed conversion of trade payables and Convertible Notes into Shares.

#### 1. Background to Resolutions

The Company operates with a negative operating cash flow, which is not unusual for an exploration company and last raised capital through the issue of convertible notes in October 2017. This has resulted in an increase to trade creditors and debt over the past 18 months. The Company is seeking to convert the trade creditors and debt to equity via the issue of Shares.

#### 2. Going Forward

The Company is a resource focussed exploration company and is the 100% holder of five petroleum prospecting licences in Papua New Guinea. PPLs 366 & 367 are located onshore and PPLs 356 & 357 offshore in the highly prospective Papuan Basin close to discovered oil and gas fields. PPL 358 is in the frontier Cape Vogel Basin where oil and gas indications have been reported.

The Company's strategy is for continued exploration of these licences as well as progressing its application for five unconventional licences covering 75,000 km sq. In February 2016, The Government of PNG enacted new legislation, The PNG Unconventional Hydrocarbons Act, specifically designed to recognise the requirements of the unconventional sector. The applications for unconventional licences have been made in accordance with this legislation.

In addition, the Company continues to pursue a number of business development opportunities across the region, focussing on cash flow generating production to augment the exploration and development portfolio of SPB.

The Company considers the resolutions contemplated in this Notice of Meeting are necessary to discharge debt so that it is in a stronger financial position to carry out its stated objectives.

#### 3. Capital Structure

It is proposed that Trade Creditors, and the Convertible Noteholder convert their debts into shares in the Company at a price of \$0.015 per Share.

In summary, as part of the financial restructure of the Company it is proposed that the following take place:

- 1) Issue of Shares to Trade Creditors in satisfaction of amounts owing (Resolutions 1 and 2); and
- 2) Issue of Shares to Convertible Noteholder (Resolution 3);

Should these Resolutions be passed, the effect of the issue of Shares on the Company's capital structure is set out in the table below:

	<b>Ordinary fully paid shares</b>
Number on issue	165,515,311
Issue of Shares to Trade Creditors (Resolution 1)	58,958,202
Issue of Shares to Related Party Trade Creditors (Resolution 2)	82,196,084
Issue of Shares to Convertible Noteholder (Resolution 3)	59,024,614
<b>Pro-forma total issued capital</b>	<b>365,694,211</b>

#### 4. Resolutions 1 and 2 - Approval of Share Issue to Trade Creditors

These Resolutions seek Shareholders' approval for satisfaction of Trade Creditors with the issue of Shares in the Company at a price of \$0.015 per Share. This approval from Shareholders is required so that the Company can achieve the restructure of its affairs through the reduction of debt and, in that regard, the Company has sought the consent of all the Trade Creditors set out in the table below to agree to satisfy outstanding debt with the issue of fully paid ordinary shares in the Company.

Trade creditors are comprised as follows:

<b>Trade Creditors</b>	<b>Amount Owing (\$)</b>	<b>No. of Shares at \$0.015</b>
Boomcity Ltd	72,000	4,800,000
Brad Hawkins Consulting Pty Ltd	525,706	35,047,061
CA Resources Pty Ltd atf CA Resources Trust	171,200	11,413,332
Insight Exploration	115,467	7,697,809
<b>Sub-Total Trade Creditors</b>	<b>884,373</b>	<b>58,958,202</b>
<b>Related Party Trade Creditors</b>		
Domenic Martino	290,000	19,333,333
Indian Ocean Corporate Pty Ltd	253,000	16,866,667
Lightglow Enterprises Pty Ltd as trustee for Paloma Investments Trust	141,345	9,423,033
Ostle International Pty Ltd	222,000	14,800,000
Transaction Services Pty Ltd	326,596	21,773,051
<b>Sub-Total Related Party Trade Creditors</b>	<b>1,232,941</b>	<b>82,196,084</b>
<b>TOTAL TRADE CREDITORS</b>	<b>2,117,314</b>	<b>141,154,286</b>

##### 4.1 Resolution 1 – Approval of Share Issue to Trade Creditors - Debt to Equity Conversion

This Resolution seeks Shareholders' approval for the repayment of debt owed to Trade Creditors (in respect of parties not related to the Company) with the issue of Shares in the Company at a price of \$0.015 per Share.

Subject to certain exceptions, Listing rule 7.1 restricts a company from issuing or agreeing to issue equity securities in any 12 month period which amount to more than 15% of the company's ordinary securities on issue at the commencement of that period without shareholder's approval. Accordingly, the Company seeks Shareholders' approval under Listing Rule 7.1.

Further to the information provided above, and in accordance with the requirements of Listing Rule 7.3, the following information is provided to Shareholders to allow them to assess the approval of the issue of Shares the subject of this resolution:

- (a) The maximum number of Shares to be issued and allotted by the Company is 58,958,202 Shares;
- (b) The Trade Creditors, hold debt to the value of \$884,373 which will be converted at a price of \$0.015 per Share;
- (c) The payment of Trade Creditors with Shares in the Company forms part of the Company's efforts to recapitalise.
- (d) The Directors are of the opinion that, in light of the current circumstances of the Company, the need for payment of trade creditors and the Convertible Noteholder and the closing share price of the Company that the conversion price of \$0.015 per Share is reasonable and provides a substantial benefit to all shareholders as it is necessary for the Company to achieve its proposed objectives and restructure the Company appropriately.
- (e) The Shares will be issued and allotted no later than three months after the date of the Meeting (or such longer period as ASX may, in its discretion allow). It is intended that all Shares will be issued on the same date.
- (f) The Shares are to be issued to discharge the Company's obligations to repay the trade creditors to the value of \$884,373 and as such are issued for nil cash consideration.

(g) The allottees of the Shares will be issued to trade creditors and/or their nominees as follows:

	<b>Name</b>	<b>Number of Shares to be Issued</b>
(i)	Boomcity Ltd	4,800,000
(ii)	Brad Hawkins Consulting Pty Ltd	35,047,061
(iii)	CA Resources Pty Ltd atf CA Resources Trust	11,413,332
(iv)	Insight Exploration	7,697,809

(h) All Shares issued will rank equally with the existing fully paid ordinary Shares of the Company.

(i) No funds will be raised from the issue of Shares as the Shares are being issued in consideration for services previously provided to the Company.

(j) A voting exclusion statement is included in the Notice of Meeting.

**Financial benefits:**

(k) By converting Trade Creditors at \$0.015 per share the Company will be relieved from the requirement to pay in cash the amounts owing in respect of these trade payables.

The Directors recommend that Shareholders vote in favour of the Resolution.

#### **4.2 Resolution 2 – Approval of Share Issue to Related Party Trade Creditors - Conversion of Debt to Equity**

This Resolution seeks Shareholders' approval for the repayment of debt owed to Related Party Trade Creditors with the issue of fully paid ordinary Shares in the Company at a price of \$0.015 per Share.

The Related Party Trade Creditors are creditors that are related parties (or their associates) of the Company. Subject to certain exemptions, Listing Rule 10.11 restricts a company from issuing or agreeing to issue equity securities to a related party without Shareholders' approval.

The Company does not consider that the proposed Share issue under this Resolution falls within any of the exemptions to Listing Rule 10.11 and accordingly seeks Shareholder approval for the issue to related parties for the purposes of Listing Rule 10.11, which will enable the Company to issue the Shares contemplated by this Resolution.

*Chapter 2E of the Corporations Act*

Chapter 2E of the Corporations Act regulates the provision of financial benefits to related parties by a public company. Section 208 of the Corporations Act prohibits a public company from giving a financial benefit to a related party unless one of a number of exceptions applies or shareholders' approval is obtained. A "financial benefit" is defined in the Corporations Act in broad terms and expressly includes a public company issuing securities. Section 210 provides an exemption for the giving of a financial benefit that is on "arm's length" terms.

The settlement with the Trade Creditors, who are not related parties of the Company, was negotiated at arm's length between the Company and those parties. The settlement with the Related Party Trade Creditors will take place on the same terms and conditions being an issue of Shares at a deemed issue price of \$0.015 in consideration for satisfying the outstanding debts. The Company has formed the view that shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in relation to Resolution 2, on the basis that the financial benefit is given on the same arm's length terms as in Resolution 1 and that the exemption in section 210 of the Corporations Act therefore applies.

It should be further noted that Resolution 2 is conditional upon the approval of Resolutions 1 and 3.

The Related Party Trade Creditors are in respect of the following services provided to 30 June 2019, that remain unpaid:

<b>Name</b>	<b>Services</b>
Domenic Martino	Director fees
Indian Ocean Corporate Pty Ltd	Company secretarial, accounting and administration fees
Lightglow Enterprises Pty Ltd as trustee for Paloma Investments Trust	Director fees
Ostle International Pty Ltd	Director fees
Transaction Services Pty Ltd	Office rental



Following approval of this Resolution and assuming that all Resolutions are passed at this General Meeting, the Directors and their associates will hold the following shares in the Company:

Director	Number of Shares			Percentage ownership	
	Opening balance	Acquired under Resolution 2	Total	Current	Assuming all Resolutions are passed
Alvin Tan	1,115,984	14,800,000	15,915,984	0.67%	4.35%
Domenic Martino	14,578,000	57,973,051	72,551,051	8.81%	19.84%
Joseph (Yosse) Goldberg	14,504,545	9,423,033	23,927,578	8.76%	6.54%

Further to the information provided above, and in accordance with the requirements of Listing Rule 10.11, the following information is provided to Shareholders to allow them to assess the approval of the issue of the Shares the subject of this Resolution 2:

- (a) The maximum number of Shares to be issued and allotted by the Company is 82,196,084 Shares;
- (b) The Shares will be issued and allotted no later than one month after the date of the Meeting (or such longer period as ASX may, in its discretion allow);
- (c) The issue price for the Shares will be \$0.015 per Share. The Company notes however that the Shares are to be issued in satisfaction of the debts owed to the Related Party Trade Creditors to a value of \$1,232,941 and, accordingly, the Company will not receive any proceeds from the issue of Shares in the event that Resolution 2 is passed;
- (d) The allottee of the Shares are the Related Party Trade Creditors and/or their nominees as follows:

	Name	Number of Shares to be Issued
(i)	Domenic Martino	19,333,333
(ii)	Indian Ocean Corporate Pty Ltd	16,866,667
(iii)	Lightglow Enterprises Pty Ltd as trustee for Paloma Investments Trust	9,423,033
(iv)	Ostle International Pty Ltd	14,800,000
(v)	Transaction Services Pty Ltd	21,773,051

- (e) The Related Party Trade Creditors are related parties of the Company because of the following relationships with the Company:
  - (i) Domenic Martino, Joseph (Yosse) Goldberg and Alvin Tan are directors of the Company;
  - (ii) Indian Ocean Corporate Pty Ltd has Domenic Martino as one of its directors and shareholders;
  - (iii) Lightglow Enterprises Pty Ltd as trustee for Paloma Investments Trust has Joseph (Yosse) Goldberg as a beneficiary;
  - (iv) Ostle International Pty Ltd has Alvin Tan as its director; and
  - (v) Transaction Services Pty Ltd is controlled by Domenic Martino.
- (f) All Shares issued will rank equally with the existing fully paid ordinary Shares of the Company;
- (g) No funds will be raised by the issue. The issue of Shares is in satisfaction of debts owed to the Related Party Trade Creditors and forms part of the Company's efforts to recapitalise;
- (h) The Directors are of the opinion that, in light of the current circumstances of the Company, including the need for payment of Trade Creditors and the Convertible Noteholder and the closing share price of the Company that the conversion price of \$0.015 per Share is reasonable and provides a substantial benefit to all Shareholders as it is necessary for the Company to achieve its proposed objectives and restructure the Company appropriately; and
- (i) A voting exclusion statement is included in the Notice of Meeting.

Financial benefits:

- (a) By converting Related Party Trade Creditors at \$0.015 per share the Company will be relieved from the requirement to pay in cash the amounts owing in respect of these Related Party Trade Creditors.

Issue of Shares contingent:

- (j) The issue of Shares under this Resolution is contingent on Resolutions 1 and 3 being approved by Shareholders.

The Directors will all derive a benefit as a result of this Resolution, consequently no recommendation is made in respect of this Resolution 2.

## 5. Resolution 3 – Approval of Share Issue to Convertible Noteholder on Conversion of Convertible Note

On 23 October 2017 SPB entered into a Convertible Note agreement with Tamarind Resources Private Limited (formerly Tamarind Classic Resources Private Limited) (**Tamarind**) (the **Lender**) under which Tamarind provided a convertible note facility to the Company totalling \$750,000. The Convertible Notes have the following terms:

- Loan Term - Commencing on the date of providing the funds (Commencement Date) and terminating 12 months from date of issue of the Convertible Notes (End Date).
- Repayment - Unless converted into equity in accordance with the conversion provisions, all monies drawn down are repayable in full on the End Date including any accrued and unpaid interest and bonus payment (if any).
- Voluntary Repayment - SPB may voluntarily repay, in whole or in part, the monies drawn down (including any accrued and unpaid interest) at any time prior to the End Date on 30 days' written notice (Notice Period). For the avoidance of doubt, the Lender retains the right of Conversion (as set out below) during the Notice Period.
- Interest Payable - 10% per annum compounded quarterly and accrued payable upon conversion or repayment
- Right to Convert - The Lender may convert the Convertible Notes, in whole or in part, into shares in the capital of SPB at any time prior to the End Date (Conversion).
- Conversion Price - The price for Conversion shall be AUD0.035 per Share

The End Date has since been extended to 26 March 2020.

SPB has negotiated, and the convertible note holder has agreed, to convert the amount owing under the Convertible Notes, plus interest, to Shares in the Company at \$0.015 per share. This Resolution seeks Shareholders' approval for the conversion of Convertible Notes into fully paid ordinary shares in the Company at a conversion price of \$0.015 per Share. This approval from Shareholders is required so that the Company may achieve the restructure of its affairs and, in that regard, the Company has sought the consent of the Convertible Noteholder to convert the Convertible Notes into Shares in the Company. The issue of the Shares is in full and final settlement of all amounts owing under the Convertible Note agreement.

It is the intention of the Company, as part of its restructure, to convert the Convertible Notes into Shares in the Company. Subject to Shareholder's approval, Convertible Notes held will be converted at the amended conversion price of \$0.015 per Share.

Convertible Noteholders are comprised as follows:

Convertible Noteholders	Amount Owing (incl interest) (\$)	No. of Shares at \$0.015
Tamarind Resources Private Limited	885,369	59,024,614
<b>TOTAL CONVERTIBLE NOTEHOLDERS</b>	<b>885,369</b>	<b>59,024,614</b>

Subject to certain exceptions, Listing rule 7.1 restricts a company from issuing or agreeing to issue equity securities in any 12 month period which amount to more than 15% of the company's ordinary securities on issue at the commencement of that period without shareholder's approval. Accordingly, the Company seeks Shareholders' approval under Listing Rule 7.1.

Further to the information provided above, and in accordance with the requirements of Listing Rule 7.3, the following information is provided to Shareholders to allow them to assess the approval of the issue of Shares the subject of this Resolution:

Nature of the financial benefit:

- (a) The number of Shares to be issued and allotted by the Company is 59,024,614 Shares;
- (b) The Convertible Notes will be converted at a conversion price of \$0.015 per Share;
- (c) The conversion of the Convertible Notes into Shares in the Company forms part of the Company's efforts to recapitalise.
- (d) The Directors are of the opinion that, in light of the current circumstances of the Company, the need for payment of Trade Creditors and the Convertible Noteholder and the closing share price of the Company, that the conversion price of \$0.015 per Share is reasonable and provides a substantial benefit to all shareholders as it is necessary for the Company to achieve its proposed objectives and restructure the Company appropriately;
- (e) The Shares will be issued and allotted no later than three months after the date of the Meeting (or such longer period as ASX may, in its discretion allow). It is intended that all Shares will be issued on the same date;
- (f) The Shares are to be issued to discharge the Company's obligations to repay the Convertible Notes to the value of \$885,369.
- (g) The allottee of the Shares Tamarind and/or its nominee/s as follows:

<b>Name</b>	<b>Number of Shares to be Issued</b>
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(i) Tamarind Resources Private Limited	59,024,614
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- (h) All Shares issued will rank equally with the existing fully paid ordinary Shares of the Company.
- (i) A voting exclusion statement is included in the Notice of Meeting.

Financial benefits:

- (j) By converting the Convertible Notes at \$0.015 per share the Company will be relieved from the requirement under the Convertible Note agreement to repay the full face value of the Convertible Notes, plus interest.

Issue of Shares contingent:

- (k) The issue of Shares under this Resolution is contingent on Resolutions 1 and 2 being approved by Shareholders.

The Directors recommend that Shareholders vote in favour of the Resolution.

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## 6. Glossary

In this Explanatory Statement and the Notice of Meeting:

**AEST time** means Australian Eastern Standard Time as observed in Sydney, New South Wales.

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

**ASX** means ASX Limited ACN 008 624 691 or the Australian Securities Exchange operated by ASX Limited, as the context requires.

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

**Board** means the board of Directors of South Pacific Resources Limited.

**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.

**Company** or **SPB** means South Pacific Resources Limited ABN 30 073 099 171 and its subsidiaries (where appropriate).

**Constitution** means the current constitution of the Company.

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

**Convertible Notes** means any convertible note issued by the Company

**Convertible Noteholder** means a holder of Convertible Notes of the Company and for the purposes of this Notice of Meeting and Explanatory Statement means Tamarind Classic Resources Private Limited.

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

**Explanatory Statement** means the Explanatory Statement to the Notice of Meeting.

**General Meeting** or **Meeting** means the General Meeting of the Company the subject of the Notice of Meeting.

**Notice of Meeting** means this notice of meeting.

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

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

**Related Party Trade Creditors** means trade creditors that are a related party of the Company as set out in Section 4.

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

**Section** means a section of this Explanatory Statement.

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

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

**Tamarind** means Tamarind Resources Private Limited (formerly Tamarind Classic Resources Private Limited)

**Trade Creditors** means those parties set out in Section 4 of the Explanatory Statement.

**LODGE YOUR PROXY APPOINTMENT ONLINE**



**ONLINE PROXY APPOINTMENT**

[www.advancedshare.com.au/investor-login](http://www.advancedshare.com.au/investor-login)



**MOBILE DEVICE PROXY APPOINTMENT**

Lodge your proxy by scanning the QR code below, and enter your registered postcode.  
It is a fast, convenient and a secure way to lodge your vote.

**2019 GENERAL MEETING PROXY FORM**

I/We being shareholder(s) of South Pacific Resources Limited and entitled to attend and vote hereby:

STEP 1

**APPOINT A PROXY**

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) are named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the General Meeting of the Company to be held at Level 5, 56 Pitt Street, Sydney NSW 2000 on Tuesday, 20 August 2019 at 11am (AEST) and at any adjournment or postponement of that Meeting.

**CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES:**

The Chairman of the meeting intends to vote all undirected proxies in favour of all resolutions. In exceptional circumstances the Chairman may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

STEP 2

**VOTING DIRECTIONS**

**Agenda Items**

		For	Against	Abstain*
1	Approval of Share Issue to Trade Creditors - Conversion of Debt to Equity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Approval of Share Issue to Related Party Trade Creditors - Conversion of Debt to Equity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Approval of Share Issue to Convertible Noteholder on Conversion of Convertible Notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



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

STEP 3

**SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED**

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, all the shareholder should sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

Email Address



Please tick here to agree to receive communications sent by the company via email. This may include meeting notifications, dividend remittance, and selected announcements.

## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE MEETING, PLEASE BRING THIS FORM WITH YOU.  
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

### CHANGE OF ADDRESS

This form shows your address as it appears on Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes.

### APPOINTMENT OF A PROXY

If you wish to appoint the Chairman as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chair, please write that person's name in the box in Step 1. A proxy need not be a shareholder of the Company. A proxy may be an individual or a body corporate.

### DEFAULT TO THE CHAIRMAN OF THE MEETING

If you leave Step 1 blank, or if your appointed proxy does not attend the Meeting, then the proxy appointment will automatically default to the Chairman of the Meeting.

### VOTING DIRECTIONS – PROXY APPOINTMENT

You may direct your proxy on how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares 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 they choose to the extent they are permitted by law. If you mark more than one box on an item, your vote on that item will be invalid.

**PLEASE NOTE:** If you appoint the Chairman as your proxy (or if he is appointed by default) but do not direct him how to vote on an item (that is, you do not complete any of the boxes "For", "Against" or "Abstain" opposite that item), the Chairman may vote as he sees fit on that item.

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning Advanced Share Registry Limited or you may copy this form and return them both together.

To appoint a second proxy you must:

- On each Proxy Form state the percentage of your voting rights or number of shares 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; and
- Return both forms together.

### CORPORATE REPRESENTATIVES

If a representative of a nominated corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A Corporate Representative Form may be obtained from Advanced Share Registry.

### SIGNING INSTRUCTIONS ON THE PROXY FORM

#### Individual:

Where the holding is in one name, the security holder must sign.

#### Joint Holding:

Where the holding is in more than one name, all of the security holders should sign.

#### Power of Attorney:

If you have not already lodged the Power of Attorney with Advanced Share Registry, please attach the original or 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 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.

### LODGE YOUR PROXY FORM

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 11am (AEST) on 18 August 2019, being not later than 48 hours before the commencement of the Meeting. Proxy Forms received after that time will not be valid for the scheduled meeting.



#### ONLINE PROXY APPOINTMENT

[www.advancedshare.com.au/investor-login](http://www.advancedshare.com.au/investor-login)



#### BY MAIL

Advanced Share Registry Limited  
110 Stirling Hwy, Nedlands WA 6009; or  
PO Box 1156, Nedlands WA 6909



#### BY FAX

+61 8 9262 3723



#### BY EMAIL

[admin@advancedshare.com.au](mailto:admin@advancedshare.com.au)



#### IN PERSON

Advanced Share Registry Limited  
110 Stirling Hwy, Nedlands WA 6009



#### ALL ENQUIRIES TO

Telephone: +61 8 9389 8033