

# ASX Announcement

30 June 2020



## LION ENERGY LIMITED ANNUAL GENERAL MEETING - COVID-19 PRECAUTIONS

Dear Shareholder,

Lion Energy Limited (ASX:LIO) provides its Notice of Meeting and proxy form for the Company's Annual General Meeting (AGM) scheduled for 10.00am (Perth time) on 30 July 2020.

In holding the meeting later than 31 May 2020, the Company is relying on the Australian Securities and Investments Commission's (ASIC) public "no-action" position advice that was recently published, under which ASIC advised that it will take no action if a company postpones its AGM (which is usually required to be held by 31 May 2020) by up to two months to no later than 31 July 2020.

In light of the continuing developments in relation to the COVID-19 pandemic and the Australian Government's restrictions at the time of writing on gatherings, Shareholders will not be able to physically attend the Lion AGM this year.

Although Lion understands and respects the importance of the AGM to Shareholders, Lion takes seriously its responsibility to its Shareholders, employees and the wider community to slow the spread of COVID-19 by avoiding environments of heightened risk.

All resolutions will be decided on a poll. Each poll will be conducted based on votes submitted by proxy and at the Meeting by shareholders who have indicated that they intend to vote at the Meeting in accordance with the instructions set out below.

The Directors instruct all shareholders who would like to have their vote counted to either:

- (a) vote by lodging a proxy form prior to 10.00am (WST) on 28 July 2020 (**Proxy Cut-Off Time**) (recommended); or
- (b) Shareholders who wish to participate and vote at the Meeting should contact the Company at [arron@smallcapcorporate.com.au](mailto:arron@smallcapcorporate.com.au) prior to the Proxy Cut-Off Time at which point the Company will email you a personalised poll form for the purpose of voting on a poll at the Meeting.

How Shareholders can participate:

- (a) Shareholders are strongly urged to appoint the Chair of the Meeting as their proxy. Shareholders can complete the proxy form to provide specific instructions on how a Shareholder's vote is to be cast on each item of business, and the Chair of the Meeting must follow your instructions. Lodgement instructions (which include the ability to lodge proxies online) are set out in the Proxy Form attached to the Notice of Meeting. If a person other than the Chair is appointed as proxy, the proxy will revert to the Chair in the absence of the appointed proxy holder's attendance at the meeting.
- (b) Shareholders who intend to participate and vote on a poll at the Meeting must contact the Company at [arron@smallcapcorporate.com.au](mailto:arron@smallcapcorporate.com.au) notifying the Company that they intend to participate and vote on a poll at the Meeting by emailing the Company a poll form. You will also need to register and access the Shareholder Meeting by videoconference to follow the meeting and timing of the poll (see paragraph (d) below). After giving notice and after the Proxy Cut-Off Time, the Company will send

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you a personalised poll form. The personalised poll form must be completed and returned to the Company after the poll has been called and **prior to the close of polling**. During the Meeting, the Chair will notify you when and how you are able to complete and return the personalised poll form. The results of the Meeting will then be announced on the ASX later that day.

- (c) The Meeting will be accessible to all Shareholders via a live videoconference, which will allow Shareholders to listen to and observe the Meeting. To register and access the Meeting by videoconference Shareholders should register by copying the link below to your web browser <https://us02web.zoom.us/join/84451234567> and completing the registration questions after which once you have been registered you will be emailed a link to join the Meeting.
- (d) Shareholders who have completed a proxy form but have not notified the Company that they intend to participate and vote on a poll at the Meeting may still participate in the Meeting through the videoconference facility described in paragraph (c) above. In this circumstance, the person you have appointed as proxy will cast your vote on your behalf.

In the event the restrictions on gatherings are lifted prior to the AGM, Lion will notify Shareholders via the ASX announcements platform and the Lion website if there are any changes to the above arrangements.

To assist the Company in managing the AGM efficiently, Shareholders are asked to submit any questions in advance of the AGM. Questions can be submitted to [arron@smallcapcorporate.com.au](mailto:arron@smallcapcorporate.com.au). Shareholders will also have the opportunity to submit questions during the Meeting in respect to the formal items of business, however it would be preferable for them to be submitted to the Company in advance of the Meeting. Shareholders are limited to a maximum of two questions each (including any submitted in advance of the Meeting).

Lion thanks its Shareholders for their understanding during this difficult time.

Authorised by:

Tom Soulsby  
Executive Chairman



**LION ENERGY LIMITED  
ACN 000 753 640**

## **NOTICE OF ANNUAL GENERAL MEETING**

**The Annual General Meeting of the Company will be held at  
the offices of the Company,  
at Suite 1, 295 Rokeby Road, Subiaco, Western Australia 6008  
on Thursday, 30<sup>th</sup> July 2020 at 10:00am (WST).**

**SHAREHOLDERS WILL NOT BE ABLE TO ATTEND THE MEETING IN PERSON.**  
Shareholders are urged to vote by lodging the proxy form attached to the Notice.

*The Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.*

*As a precaution in relation to COVID-19, each resolution will be decided by poll, based on proxy votes and by votes at the Annual General Meeting by Shareholders who have indicated that they intend to vote at the Annual General Meeting in accordance with the instructions set out in this Notice. Shareholders are strongly encouraged to vote by lodging the proxy form attached to this Notice by no later than 10.00am (WST) Tuesday, 28 July 2020.*

*Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on +61 8 9211 1500.*

**Shareholders are urged to attend or vote by lodging the proxy form attached to the Notice**

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# LION ENERGY LIMITED

ACN 000 753 640

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## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Lion Energy Limited (**Company**) will be held at the offices of the Company, at Suite 1, 295 Rokeby Road, Subiaco, Western Australia, 6008 on 30<sup>th</sup> July 2020 at 10:00am (WST) (**Meeting**).

In holding the meeting later than 31 May 2020, the Company is relying on the Australian Securities and Investments Commission's (ASIC) public "no-action" position advice that was recently published, under which ASIC advised that it will take no action if a company postpones its AGM (which is usually required to be held by 31 May 2020) by up to two months to no later than 31 July 2020.

Due to the current restrictions in place in relation to COVID-19, in particular the Australian Government's ban on public gatherings and social distancing measures, the Company is not able to allow shareholders to physically attend the Meeting. Accordingly, all resolutions at the Meeting will be decided by poll, based on votes submitted by proxy and at the Meeting by shareholders who have indicated that they intend to vote at the Meeting in accordance with the instructions set out below.

The Directors instruct all shareholders who would like to have their vote counted to either:

- (a) vote by lodging a proxy form prior to 10.00am(WST) on Tuesday, 28 July 2020 (WST) (**Proxy Cut-Off Time**) (recommended); or
- (b) Shareholders who wish to participate and vote at the Meeting should contact the Company at [arron@smallcapcorporate.com.au](mailto:arron@smallcapcorporate.com.au) prior to the Proxy Cut-Off Time at which point the Company will email you a personalised poll form for the purpose of voting on a poll at the Meeting.

How Shareholders can participate:

- (a) Shareholders are strongly urged to appoint the Chair of the Meeting as their proxy. Shareholders can complete the proxy form to provide specific instructions on how a Shareholder's vote is to be cast on each item of business, and the Chair of the Meeting must follow your instructions. Lodgement instructions (which include the ability to lodge proxies online) are set out in the Proxy Form attached to the Notice of Meeting. If a person other than the Chair is appointed as proxy, the proxy will revert to the Chair in the absence of the appointed proxy holder's attendance at the meeting.
- (b) Shareholders who intend to participate and vote on a poll at the Meeting must contact the Company at [arron@smallcapcorporate.com.au](mailto:arron@smallcapcorporate.com.au) notifying the Company that they intend to participate and vote on a poll at the Meeting by emailing the Company a poll form. You will also need to register and access the Shareholder Meeting by videoconference to follow the meeting and timing of the poll (see paragraph (c) below). After giving notice and after the Proxy Cut-Off Time, the Company will send you a personalised poll form. The personalised poll form must be completed and returned to the Company after the poll has been called and prior to the close of polling. During the Meeting, the Chair will

notify you when and how you are able to complete and return the personalised poll form. The results of the Meeting will then be announced on the ASX later that day.

- (c) The Meeting will be accessible to all Shareholders via a live videoconference, which will allow Shareholders to listen to and observe the Meeting. To register and access the Meeting by videoconference Shareholders should register by copying the link below to your web browser <https://us02web.zoom.us/j/84451234567> and completing the registration questions after which once you have been registered you will be emailed a link to join the Meeting.
- (d) Shareholders who have completed a proxy form but have not notified the Company that they intend to participate and vote on a poll at the Meeting will have an opportunity to participate in the Meeting through the videoconference facility described in paragraph (c) above. In this circumstance, the person you have appointed as proxy will cast your vote on your behalf.
- (e) Shareholders are also invited to submit questions in advance of the Meeting by email to the Company Secretary at [arron@smallcapcorporate.com.au](mailto:arron@smallcapcorporate.com.au). The Chair will attempt to respond to questions at the Meeting in respect of all valid questions received prior to Proxy Cut-Off Time.

The Company appreciates the understanding of its Shareholders as it navigates this difficult situation.

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

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on 28<sup>th</sup> July 2020 at 5pm (WST).

Terms and abbreviations used in this Notice and the Explanatory Memorandum are defined in Schedule 1.

ASX takes no responsibility for the contents of this Notice or the Explanatory Memorandum.

## AGENDA

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### 1. Annual Report

To consider the Annual Report of the Company and its controlled entities for the financial year ended 31 December 2019, which includes the Financial Report, the Directors' Report and the Auditor's Report.

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### 2. Resolution 1 - Remuneration Report

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

*"That the Remuneration Report be adopted by the Shareholders on the terms and conditions in the Explanatory Memorandum."*

### **Voting Prohibition**

In accordance with section 250BD and 250R of the Corporations Act, a vote on this Resolution must not be cast by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member.

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

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

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## **3. Resolution 2 - Re-election of Director - Mr Zane Lewis**

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

*"That, in accordance with Clause 13.2 of the Constitution , Listing Rule 14.5 and for all other purposes, Mr Zane Lewis retires and, being eligible, is re-elected as a Director".*

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## **4. Resolution 3 - Approval of 10% Placement Facility**

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

*"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities of up to 10% of the issued capital of the Company, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum."*

### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution if at the time of the Meeting, the Company is proposing to make an issue of Equity Securities under the 10% Placement Facility, by or on behalf of any persons who are 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 Shares) or any associate of those persons.

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the chair decides; or

- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

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## 5. Resolution 4 - Replacement of Constitution

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

*"That, pursuant to and in accordance with section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt a new constitution in its place in the form of the document tabled at the Meeting and signed by the Chair for the purposes of identification, with effect from the close of the Meeting."*

### BY ORDER OF THE BOARD

Arron Canicais  
**Company Secretary**  
Dated: 30 June 2020

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# LION ENERGY LIMITED

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## EXPLANATORY MEMORANDUM

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### 1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at the offices of the Company, at Suite 7, 295 Rokeby Road, Subiaco, Western Australia, 6008 on 30<sup>th</sup> July 2020 at 10:00am (WST).

Due to the current restrictions in place in relation to COVID-19, in particular the Australian Government's ban on public gatherings, the Company is not able to allow shareholders to physically attend the Meeting. Please refer to pages 2 to 3 of the Notice and Section 2 of this Explanatory Memorandum for further information regarding the Meeting procedures.

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

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2	Action to be taken by Shareholders
Section 3	Annual Report
Section 4	Resolution 1 - Remuneration Report
Section 5	Resolution 2 - Re-election of Director - Mr Zane Lewis
Section 6	Resolution 3 - Approval of 10% Placement Facility
Section 7	Resolution 4 - Replacement of Constitution
Schedule 1	Definitions

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

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### 2. Action to be taken by Shareholders

Shareholders should read the Notice including the Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

## **2.1 Meeting Procedure**

Shareholders who wish to participate in or ask questions at the Meeting should refer to pages 2 to 3 of the Notice for further information regarding the Meeting procedures and how to access the Meeting via video teleconference.

## **2.2 No attendance in person**

The Directors have resolved that Shareholders and their proxies will not be able to attend the Meeting in person due to the Government's implementation of prohibitions on public gatherings and social distancing measures in light of COVID-19. Please refer to the information below on how Shareholders can participate in the Meeting.

## **2.3 Voting by poll**

All resolutions will be decided on a poll (rather than a show of hands). The poll will be conducted based on votes submitted by proxy and at the Meeting by Shareholders who have indicated that they intend to vote at the Meeting in accordance with the instructions below.

## **2.4 Voting by proxy**

Shareholders are strongly encouraged to complete a Proxy Form to appoint the Chair of the Meeting as their proxy and to provide specific instructions on how the Shareholder's vote is to be exercised on each item of business. The Chair must follow your instructions. If a person other than the Chair is appointed as proxy, the proxy will revert to the Chair in the absence of the appointed proxy holder's attendance at the Meeting.

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

In accordance with section 250R of the Corporations Act, a vote on Resolution 1 must not be cast (in any capacity) by, or on behalf of:

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

However, a person described above may cast a vote on Resolution 1 if the vote is not cast on behalf of a person who is excluded from voting on Resolution 1 and:

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

The Chair intends to exercise all available proxies in favour of Resolution 1.

## **2.6 Remote attendance and voting via poll form**

The Meeting will be accessible to all Shareholders via a live videoconference, which will allow Shareholders to listen to and observe the Meeting. To register and access

the videoconference Shareholders should register by copying the link below to your web browser [https://us02web.zoom.us/meeting/register/tZMsf-CqqjwHNFju1ryjOdSWzzISnPSpP\\_v](https://us02web.zoom.us/meeting/register/tZMsf-CqqjwHNFju1ryjOdSWzzISnPSpP_v) and completing the registration questions after which once you have been registered you will be emailed a link to join the Meeting.

Shareholders who do not wish to vote using a Proxy Form and who intend to vote on a poll at the Meeting must contact the Company at [arron@smallcapcorporate.com.au](mailto:arron@smallcapcorporate.com.au) or by phone at (08) 9211 1500 to notify the Company of their intentions and to request a personalised poll form. Shareholders who wish to vote on a poll at the Meeting will also need to register for the webinar using the link on page 3 and access the videoconference to attend the Meeting. The Company will send personalised poll forms following the cut-off time for the return of Proxy Forms (ie after 10.00am (WST) on Tuesday, 28 July 2020) to Shareholders who request them prior to this time.

Personalised poll forms must be completed and returned to the Company after the poll has been called and **prior to the close of polling**. During the Meeting, the Chair will notify you how and when you are able to complete and return the personalised poll form.

You may still attend the Meeting via the videoconference facility if you have completed a Proxy Form (but have not notified the Company that you intend to vote using a poll form), but the person you have appointed as proxy will cast your vote on your behalf.

## 2.7 Submitting questions

Shareholders are encouraged to submit questions in advance of the Meeting to the Company. Questions must be submitted by emailing the Company Secretary at [info@lionenergy.com.au](mailto:info@lionenergy.com.au) by the Proxy Cut-Off Time.

Shareholders will also have the opportunity to submit questions during the Meeting in respect to the formal items of business, however it would be preferable for them to be submitted to the Company in advance of the Meeting. In order to ask a question during the Meeting, please follow the instructions from the Chair.

The Chair will attempt to respond to the questions during the Meeting. Shareholders are limited to a maximum of two questions each (including any submitted in advance of the Meeting). The Chair will request prior to a Shareholder asking a question that they identify themselves (including the entity name of their shareholding and the number of Shares they hold).

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## 3. Annual Report

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 31 December 2019.

There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at <http://lionenergy.com.au/investor-dashboard/company-reports/>;

- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's auditor about:

- (a) the preparation and content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

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## 4. Resolution 1 - Remuneration Report

In accordance with subsection 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report, which is contained in the Annual Report, contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with subsection 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

If the Company's Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings, Shareholders will have the opportunity to remove the whole Board, except the managing director.

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director, if any) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Remuneration Report did not receive a Strike at the last annual general meeting. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the following annual general meeting, this may result in the re-election of the Board.

The Chair will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

Resolution 1 is an ordinary resolution.

The Chair intends to exercise all available proxies in favour of Resolution 1.

If the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered

to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

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## **5. Resolution 2 - Re-election of Director - Mr Zane Lewis**

### **5.1 General**

Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting.

Clause 13.2 of the Constitution provides that:

- (a) at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then such number as is appropriate to ensure that no Director other than alternate Directors and the Managing Director holds office for more than 3 years, shall retire from office;
- (b) the Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots; and
- (c) a Director who retires by rotation under clause 13.2 of the Constitution is eligible for re-election.

As at the date of this Notice, the Company has five Directors, none of which have held office for more than 3 years and accordingly one Director must retire.

It has been agreed upon between those Directors eligible for retirement that Mr Zane Lewis is to retire.

Accordingly, Mr Zane Lewis retires and being eligible, seeks approval to be re-elected as a Director.

If re-elected, the Board considers Mr Lewis to be an independent Director.

### **5.2 Mr Zane Lewis**

Mr Lewis is a non-executive director and a joint Company Secretary of Lion Energy and has over 20 of years corporate advisory experience with ASX and AIM listed companies.

Mr Lewis is a non-executive director for a number of ASX Listed companies (Tap Oil Limited, Kingsland Global Limited, Vital Metals Limited and Flamingo AI Limited) and is a Fellow of the Governance Institute of Australia.

Mr Lewis was appointed a director of the Company on 13 February 2018.

### **5.3 Board recommendation**

The Board (excluding Mr Lewis) recommends that Shareholders vote in favour of Resolution 2 for the following reasons:

- Mr Lewis is the only current independent director and provides valuable contributions and insight at the Board level.

Resolution 2 is an ordinary resolution.

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

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## **6. Resolution 3 - Approval of 10% Placement Facility**

### **6.1 General**

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of 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. Based on the ASX closing price on 26 June 2020, the Company has a market capitalisation of approximately \$2.9 million. The Company is an eligible entity.

The Company is seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility. The number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 6.2(c) below). It is anticipated that funds raised by the issue of Equity Securities under the Additional 10% Placement Capacity would be applied towards the continued investment in the Company's current assets, used as cash consideration for the acquisition of new assets or investments (including expenses associated with such an acquisition), and/or for general working capital.

The Board unanimously recommends that Shareholders vote in favour of Resolution 3.

Resolution 3 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Chair intends to exercise all available proxies in favour of Resolution 3.

If Resolution 3 is passed, the Company will be able to issue Equity Securities under Listing Rule 7.1A up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 3 is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities to issue equity securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without Shareholder approval set out in Listing Rule 7.1.

### **6.2 Listing Rule 7.1A**

#### **(a) Shareholder approval**

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an annual general meeting.

(b) **Equity Securities**

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the company.

The Company, as at the date of the Notice, has on issue one quoted class of Equity Securities: Shares.

(c) **Formula for calculating 10% Placement Facility**

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:

- (1) under an exception in Listing Rule 7.2 (other than exception 9, 16 or 17);
- (2) on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
  - the convertible securities were issued or agreed to be issued before the 12 month period; or
  - the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or 7.4;
- (3) under an agreement to issue securities within Rule 7.2 exception 16 where:
  - the agreement was entered into before the 12 month period; or
  - the agreement or issue was approved, or taken under the Listing Rules to be approved, under Listing Rule 7.1 or 7.4; and
- (4) with Shareholder approval under Listing Rule 7.1 or 7.4. This does not include any issue of Shares under the Company's 15% annual placement capacity without Shareholder approval;

(B) plus the number of partly paid shares that became fully paid in the 12 months; and

(C) less the number of fully paid Shares cancelled in the 12 months.

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

**D** is 10%.

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

**(d) Listing Rule 7.1 and Listing Rule 7.1A**

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 6.2(c)).

**(e) Minimum Issue Price**

Any Equity Securities issued under Listing Rule 7.1A must be issued for a cash consideration per security which is not less than 75% of the VWAP of Equity Securities in the same 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 by the Company and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued,

**(Minimum Issue Price).**

**(f) 10% Placement Period**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A will be valid from the date of Meeting and will expire on the earlier to occur of:

- (i) the date that is 12 months after the date of the Meeting;
- (ii) the time and date of the Company's next annual general meeting; or
- (iii) the date of Shareholder approval of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

**(10% Placement Period).**

### **6.3 Listing Rule 7.1A**

The effect of Resolution 4 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

### **6.4 Specific information required by Listing Rule 7.3A**

In accordance with Listing Rule 7.3A, information is provided as follows:

#### **(a) Validity period**

The 10% Placement Period is valid for the 10% Placement Period. See 6.2(f) above.

The Company will only issue the Equity Securities during the 10% Placement Period.

Shareholder approval of the 10% Placement Facility will cease to be valid if Shareholder approve a transaction under Listing Rule 11.1.2 or 11.2.

#### **(b) Minimum issue price**

The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities 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 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

#### **(c) Purposes of issues under 10% Placement Facility**

The Company may seek to issue the Equity Securities for the following purposes: raise cash consideration for continued investment in the Company's current assets, the acquisition of new assets or investments (including expenses associated with such an acquisition), and/or for general working capital.

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

#### **(d) Risk of economic and voting dilution**

If this Resolution is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Options, only if the Options are converted into Shares). There is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities 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 the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

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

The below table shows:

- (iii) the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of the Notice;
- (iv) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (v) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2*		Dilution		
		\$0.007 50% decrease in Issue Price	\$0.018 Issue Price	\$0.028 100% increase in Issue Price
Current Variable A 207,401,790 Shares	10% Voting Dilution	20,740,179 Shares	20,740,179 Shares	20,740,179 Shares
	Funds raised	\$145,181	\$290,363	\$580,725
50% increase in current Variable A 311,102,685 Shares	10% Voting Dilution	31,110,269 Shares	31,110,269 Shares	31,110,269 Shares
	Funds raised	\$217,772	\$435,544	\$871,088
100% increase in current Variable A 414,803,580 Shares	10% Voting Dilution	41,480,358 Shares	41,480,358 Shares	41,480,358 Shares
	Funds raised	\$290,363	\$580,725	\$1,161,450

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

The table has been prepared on the following assumptions:

1. The issue price is \$0.014 being the closing price of the Shares on ASX on 26 June 2020, being the last day that the Company's Shares traded on the ASX before this Notice was printed.
2. The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
3. No convertible securities (including any issued under the 10% Placement Facility) are exercised or converted into Shares before the date of the issue of the Equity Securities.
4. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
5. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
6. The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
7. The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
8. Variable A is equal to the number of existing Shares on issue as at the date of this Notice, being 207,401,790, assuming the Company has not issued any Shares in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with Shareholder approval under Listing Rule 7.1 and 7.4.

**(e) Allocation policy**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of the Notice but may include existing substantial Shareholders and/or new Shareholders who are not a related party or an associate of a related party of the Company.

Further, if the Company is successful in acquiring new projects, assets or investments, it is possible that the allottees under the 10% Placement Facility will be the vendors of the new projects, assets or investments.

(f) **Issues in the past 12 months**

The Company has previously obtained Shareholder approval under Listing Rule 7.1A at its Annual General Meeting held on 16 May 2019. In the 12 months preceding the date of the Meeting and as at the date of this Notice, the Company has not issued or agreed to issue any Equity Securities under Listing Rule 7.1A.

There have been no issues of Equity Securities by the Company during the 12 months preceding the date of the Meeting.

(g) **Voting exclusion statement**

At the date of the Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A and has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in any such issue.

However, in the event that between the date of the Notice and the date of the Meeting, the Company proposes to make an issue of Equity Securities under Listing Rule 7.1A to one or more existing Shareholders, those Shareholders' votes will be excluded under the voting exclusion statement in the Notice.

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## **7. Resolution 4 - Replacement of Constitution**

### **7.1 General**

Under section 136(2) of the Corporations Act, a company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 4 seeks the approval of Shareholders to repeal the Company's existing Constitution and adopt a new constitution (**Proposed Constitution**) which is of the type required for a listed public company limited by shares.

The Proposed Constitution incorporates amendments to the Corporations Act and the Listing Rules since the current Constitution was adopted on 3 April 2007. The Directors believe that it is preferable in the circumstances to replace the existing Constitution with the Proposed Constitution rather than to amend a multitude of specific provisions.

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution. Many of the proposed changes are administrative or minor in nature including but not limited to:

- (a) updating references to bodies or legislation which have been renamed (eg references to the Australian Settlement and Transfer Corporation Pty Ltd, ASTC Settlement Rules and ASTC Transfer); and

- (b) expressly providing for statutory rights by mirroring these rights in provisions of the Proposed Constitution.

The Directors believe these amendments are not material nor will they have any significant impact on Shareholders. It is not practicable to list all of the changes to the Constitution in detail in this Explanatory Memorandum, however, a summary of the proposed material changes is set out below.

A copy of the Proposed Constitution is available for review by Shareholders at the office of the Company. A copy of the Proposed Constitution can also be sent to Shareholders upon request to the Company Secretary.

Shareholders are invited to contact the Company if they have any queries or concerns.

Resolution 4 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Board recommends that Shareholders vote in favour of Resolution 4.

## **7.2 Summary of material proposed changes**

### **(a) Restricted Securities (article 2.7)**

ASX introduced a number of changes to the escrow regime in the Listing Rules in December 2019 to make aspects of the listing process and ongoing compliance with the Listing Rules more efficient for issuers and for ASX.

Amongst these, ASX introduced a two-tier escrow regime where ASX can and will require certain more significant holders of Restricted Securities (as defined by the Listing Rules) and their controllers to execute a formal escrow agreement in the form of Appendix 9A, than was previously the case. However, for less significant holdings, ASX instead permits entities to rely on a provision in their constitution imposing appropriate escrow restrictions on the holder of Restricted Securities and to simply give a notice to the holder of Restricted Securities in the form of a new Appendix 9C advising them of those restrictions.

Under article 2.7 of the Proposed Constitution, holders of Restricted Securities will be taken to have agreed in writing that those Securities are to be kept on the Company's issuer sponsored sub-register and are to have a holding lock applied for the duration of the applicable escrow period. Holders of Restricted Securities will also not be entitled to participate in any return of capital on those Securities during the applicable escrow period, except as permitted by the Listing Rules or ASX.

### **(b) Dividends (article 13)**

Section 254T of the Corporations Act was amended effective 28 June 2010.

There is now a three-tiered test that a company will need to satisfy before paying a dividend replacing the previous test that dividends may only be paid out of profits.

The amended requirements provide that a company must not pay a dividend unless:

- (i) the company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend;
- (ii) the payment of the dividend is fair and reasonable to the company's shareholders as a whole; and
- (iii) the payment of the dividend does not materially prejudice the company's ability to pay its creditors.

The existing Constitution reflects the former profits test and restricts the dividends to be paid only out of the profits of the Company. The Proposed Constitution is updated to reflect the new requirements of the Corporations Act. The Directors consider it appropriate to update the Constitution for this amendment to allow more flexibility in the payment of dividends in the future should the Company be in a position to pay dividends.

**(c) Fee for registration of off-market transfers (article 4.4)**

On 24 January 2011, ASX amended Listing Rule 8.14 with the effect that the Company may now charge a 'reasonable fee' for registering paper-based transfers, sometimes referred to 'off-market transfers'.

Article 4.4 of the Proposed Constitution enables the Company to charge a reasonable fee when it is required to register off-market transfers from Shareholders. The fee is intended to represent the cost incurred by the Company in upgrading its fraud detection practices specific to off-market transfers.

Before charging any fee, the Company is required to notify ASX of the fee to be charged and provide sufficient information to enable ASX to assess the reasonableness of the proposed amount.

**(d) Deemed notice to uncontactable Shareholders (article 14.5)**

Article 14.5 provides that a document will be deemed to have been served to a Shareholder if the document is exhibited in the registered office of the Company for 48 hours in the event that:

- (i) a Shareholder does not have an address in the register of Shareholders, and has not nominated an alternative address; or
- (ii) the Company reasonably believes that a Shareholder is not known at the Shareholder's address in the register of Shareholders or any alternative address provided.

**(e) Partial (proportional) takeover provisions (article 4.9 and schedule 5)**

A proportional takeover bid is a takeover bid where the offer made to each shareholder is only for a proportion of that shareholder's shares.

Pursuant to section 648G of the Corporations Act, the Company has included in the Proposed Constitution a provision whereby a proportional takeover bid for Shares may only proceed after the bid has been approved by a meeting of

Shareholders held in accordance with the terms set out in the Corporations Act.

This clause of the Proposed Constitution will cease to have effect on the third anniversary of the date of the adoption of last renewal of the clause.

While the original Constitution included a provision regarding proportional takeover bids, this provision had not been renewed in the last three years and therefore has ceased to have effect.

### **7.3 Information required by section 648G of the Corporations Act**

#### **(a) Effect of proposed proportional takeover provisions**

Where offers have been made under a proportional off-market bid in respect of a class of securities in a company, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under such a proportional off-market bid is prohibited unless and until a resolution to approve the proportional off-market bid is passed.

#### **(b) Reasons for proportional takeover provisions**

A proportional takeover bid may result in control of the Company changing without Shareholders having the opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium. These amended provisions allow Shareholders to decide whether a proportional takeover bid is acceptable in principle, and assist in ensuring that any partial bid is appropriately priced.

#### **(c) Knowledge of any acquisition proposals**

As at the date of this Notice, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

#### **(d) Potential advantages and disadvantages of proportional takeover provisions**

The Directors consider that the proportional takeover provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the proportional takeover provisions for Shareholders include:

- (i) the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- (ii) assisting in preventing Shareholders from being locked in as a minority;
- (iii) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and

- (iv) each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.

The potential disadvantages of the proportional takeover provisions for Shareholders include:

- (i) proportional takeover bids may be discouraged;
- (ii) lost opportunity to sell a portion of their Shares at a premium; and
- (iii) the likelihood of a proportional takeover bid succeeding may be reduced.

(e) **Recommendation of the Board**

The Directors do not believe the potential disadvantages outweigh the potential advantages of adopting the proportional takeover provisions and as a result consider that the proportional takeover provision in the Proposed Constitution is in the interest of Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 4.

## Schedule 1 - Definitions

In the Notice, words importing the singular include the plural and vice versa.

**\$** means Australian Dollars.

**10% Placement Facility** has the meaning given in Section 6.1.

**10% Placement Period** has the meaning given in Section 6.2(f).

**Annual Report** means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 31 December 2019.

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

**ASX** means the ASX Limited ABN 98 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.

**Auditor's Report** means the auditor's report on the Financial Report.

**Board** means the board of Directors.

**Chair** means the person appointed to chair the Meeting of the Company convened by the Notice.

**Clause** means a clause of the Constitution.

**Closely Related Party** means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

**Company** means Lion Energy Limited ACN 000 753 640.

**Constitution** means the constitution of the Company as at the date of the Meeting.

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

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

**Directors' Report** means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

**Equity Security** has the same meaning as in the Listing Rules and **Equity Securities** has the corresponding meaning.

**Explanatory Memorandum** means the explanatory memorandum which forms part of the Notice.

**Financial Report** means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

**Key Management Personnel** has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

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

**Meeting** has the meaning given in the introductory paragraph of the Notice.

**Notice** means this notice of annual general meeting.

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

**Proposed Constitution** has the meaning given in Section 7.1.

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

**Proxy Cut-Off Time** means 10.00am (WST) on 28 July 2020.

**Remuneration Report** means the remuneration report of the Company contained in the Directors' Report.

**Resolution** means a resolution referred to in the Notice.

**Restricted Securities** has the meaning given in the Listing Rules.

**Schedule** means a schedule to the Notice.

**Section** means a section of the Explanatory Memorandum.

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

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

**Strike** means a 'no' vote of 25% or more on the resolution approving the Remuneration Report.

**Trading Day** has the meaning given in the Listing Rules.

**VWAP** means volume weighted average price.

**WST** means Western Standard Time, being the time in Perth, Western Australia.

**PROXY  
FORM  
APPOINTMENT OF PROXY  
FORM**

**LION ENERGY LIMITED**  
**ACN 000 753 640**

**ANNUAL GENERAL MEETING**

I/We

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

**OR:** ☐ the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at the offices of the Company, at Suite 1, 295 Rokeby Road, Subiaco, Western Australia, 6008 on 30<sup>th</sup> July 2020 at 10:00am, and at any adjournment thereof.

**AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS**

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair 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 the Key Management Personnel, which includes the Chair.

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

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair 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.

Voting on business of the Meeting		FOR	AGAINST	ABSTAIN
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director - Zane Lewis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Replacement of Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

If two proxies are being appointed, the proportion of voting rights this proxy represents is: \_\_\_\_\_

**% Signature of Shareholder(s):**

**Individual or Shareholder 1**

Sole Director/Company Secretary

**Shareholder 2**

Director

**Shareholder 3**

Director/Company Secretary

**Date:** \_\_\_\_\_

**Contact name:** \_\_\_\_\_

**Contact ph (daytime):** \_\_\_\_\_

**E-mail address:** \_\_\_\_\_

**Consent for contact by e-mail:** YES ☐ NO ☐

## Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
  - **(Individual):** Where the holding is in one name, the Shareholder must sign.
  - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
  - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
  - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting via videoconference (attendance in person is not permitted). Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting via videoconference, then the proxy's authority to speak for that Shareholder is suspended while the Shareholder is present at the Meeting. If a personalised poll form is lodged by a Shareholder, the relevant Proxy Form(s) lodged by that Shareholder will be suspended and the proxy votes not counted.
4. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
  - (a) post to the Company Secretary, Suite 1, 295 Rokeby Rd, Subiaco, WA 6008; or
  - (b) scan and email to the Company Secretary, [arron@smallcapcorporate.com.au](mailto:arron@smallcapcorporate.com.au);so that it is received not less than 48 hours prior to commencement of the Meeting.

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