

## ADAVALE RESOURCES LIMITED

ACN 008 719 015

### NOTICE OF GENERAL MEETING

Notice is hereby given that the General Meeting of shareholders of Adavale Resources Limited (the **Company**) will be held at Company's Indonesian office at 8<sup>th</sup> Floor, The CEO Building, Jl. TB Simatupang 18C, Cilandak, Jakarta 12430 Indonesia, on Thursday 18 June 2015 at 10.00am (Jakarta Time) (**Meeting**).

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

#### BUSINESS OF THE MEETING

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##### Item 1: Ratification of Issue of Shares

To consider and, if thought fit, pass the following resolution as a special resolution of the Company:

*"That, for the purposes of Listing Rule 7.4 and for all other purposes, the shareholders approve and ratify the prior allotment and issue of 2,375,477 shares as outlined in the Explanatory Notes accompanying the Notice convening this meeting."*

*Note: A voting exclusion statement applies to this resolution (see Explanatory Notes for details).*

## ENTITLEMENT TO VOTE

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The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered shareholders of the Company as at 7.00pm (AEST) on 16 June 2015 (**Entitlement Time**), subject to any applicable voting exclusion.

This means that if you are not the registered holder of a share in the Company at the Entitlement Time, you will not be entitled to vote at the Meeting.

## VOTING OPTIONS AND PROXIES

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If you do not plan to attend the meeting in person, you are encouraged to complete and return the Proxy Form, which accompanies this Notice of General Meeting.

### Voting by Proxy

A shareholder who is entitled to attend and vote at this Meeting is entitled to appoint not more than two proxies to attend and vote in place of the shareholder.

If the shareholder appoints two proxies, the shareholder may specify the proportion or number of votes each proxy is entitled to exercise. If no proportion or number of votes is specified, each proxy may exercise half of the shareholder's votes. If the specified proportion or number of votes exceeds that which the shareholder is entitled to, each proxy may exercise half of the shareholder's votes. Any fractions of votes brought about by the apportionment of votes to a proxy will be disregarded.

A proxy need not be a shareholder of the Company. A body corporate appointed as a shareholder's proxy may appoint a representative to exercise any of the powers the body may exercise as a proxy at the Meeting. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

Subject to the specific proxy provisions applying to Item 2 (see the Explanatory Notes below):

- If a shareholder has not directed their proxy how to vote, the proxy may vote as the proxy determines, and
- If a shareholder appoints the Chair of the Meeting as proxy and does not direct the Chair how to vote on an item of business, the Chair will vote in accordance with his voting intention as stated in this Notice of Meeting, namely in favour of each of the proposed resolutions set out in the Notice of Meeting.

### Proxy Voting by the Chair

The Chair intends to vote all undirected proxies in favour of the resolutions put in the Notice of Meeting.

### Proxy Forms

To be effective, the Proxy Form must be completed, signed and lodged (together with the relevant original power of attorney or a certified copy if the proxy is signed by an attorney) with the Company at its share registry, as an original or by facsimile, **no later than** 10.00am (Jakarta Time) (1.00pm AEST) on 16 June 2015 (**Proxy Deadline**).

Proxy forms may be submitted in one of the following ways:

- (i) **By mail** to Computershare Investor Services Pty Limited (**Computershare**) using the reply paid envelope or GPO Box 242, Melbourne Vic 3001. Please allow sufficient time so that it reaches Computershare by the Proxy Deadline;

- (ii) **By fax** to Computershare on 1800 783 447 (inside Australia) or +61 3 9473 2555 (outside Australia);
- (iii) **Online** via the Company's Share Registry website at [www.investorvote.com.au](http://www.investorvote.com.au). Please refer to the Proxy Form for more information; or
- (iv) **By hand delivery** to Computershare at Level 4, 60 Carrington Street, Sydney NSW 2000.

Proxy Forms and Powers of Attorney must be received by the Proxy Deadline.

#### **CORPORATE REPRESENTATIVES**

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Where a shareholding is registered in the name of a corporation, the corporate shareholder may appoint a person to act as its representative to attend the meeting by providing that person with:

- (i) A letter or certificate authorising him or her as the corporation's representative, executed in accordance with the corporation's constitution; or
- (ii) A copy of the resolution appointing the representative, certified by a secretary or director of the corporation.

BY ORDER OF THE BOARD

**Leanne Ralph**  
Company Secretary  
18 May 2015

## Explanatory Notes

### ITEM 1: RATIFICATION OF ISSUE OF SHARES

#### Background

On 15 January 2015, the Company announced it had entered into Standby Subscription Agreement with Gurney Capital Nominees Pty Ltd (**Gurney Capital**) for a \$1,000,000 facility to provide working capital to the Company (**Facility**).

The key terms of the Facility were as follows:

- Facility limit: \$1,000,000
- Period of facility: 5 years
- Drawing: Each drawdown will result in an issue of fully paid ordinary shares to Gurney Capital.
- Issue price for shares: 80% of 5-day VWAP prior to each drawdown.

The following drawdowns and subsequent issue of shares have been made under the Facility:

<i><b>Date of Drawdown and Issue</b></i>	<i><b>Issue Price</b></i>	<i><b>Shares Issues</b></i>	<i><b>Total Drawdown Amount</b></i>	<i><b>ASX Listing Rule that applied to the issue of these shares</b></i>
27 January 2015	\$0.0197	1,585,025	\$31,225.00	1,585,025 - 7.1
2 March 2015	\$0.0184	1,630,435	\$30,000.00	1,584,983 – 7.1A 45,452 – 7.1
30 April 2015	\$0.0136	745,000	\$10,132.00	745,000 - 7.1
<b>Total</b>		<b>3,960,460</b>	<b>\$71,357.00</b>	<b>2,375,477 – 7.1</b> <b>1,584,983 – 7.1A</b>

#### Reasons for resolutions

The Facility is beneficial to the Company, as the proceeds from the issue of the Shares will provide the Company with working capital to support the ongoing operations of the Company.

Listing Rule 7.1 restricts the number of Equity Securities which a listed company may issue in any 12 month period, without the approval of shareholders, to 15% of the number of shares on issue at the start of the period, subject to certain adjustments and permitted exceptions.

Listing Rule 7.4 provides that an issue of securities is deemed to have been made with shareholder approval if Listing Rule 7.1 is not breached at the time the securities were issued and shareholders subsequently approve the issue. The Company is seeking approval under Listing Rule 7.4 for the issue of 2,375,477 Shares pursuant to the Facility, as outlined in the above table. If shareholders ratify the prior issue of these Shares pursuant to Resolution 1, the Company will have the flexibility to issue further Equity Securities up to the 15% limit over the next 12-month period because these Shares will not be counted for the purposes of the 15% limit set out in Listing Rule 7.1.

Approval for the issue of up to 10% of the Company's issued capital under Listing Rule 7.1A was granted at the Company's Annual General Meeting held on 25 November 2014. This can only be used once in any 12-month period. The Company has issued 1,584,983 Shares pursuant to Listing Rule 7.1A as part of the drawdowns under the Facility.

#### Shares under Resolution 1

The following information is provided to Shareholders to allow them to assess Resolution 1, including for the purposes of Listing Rule 7.5:

- (a) Number of securities issued: 2,375,477 shares.
- (b) Issue price: Various (see table above).
- (c) Terms of the Securities: The Shares allotted and issued rank equally with the existing Shares on issue.
- (d) Allottees: the Shares were allotted and issued to Gurney Capital.
- (e) Intended use of funds raised: The funds raised from the issue of the Shares will be used for working capital to support the ongoing operations of the Company.

### **Voting Exclusion Statement**

The Company will disregard any votes cast on Resolution 1 by Gurney Capital, and any of their associates. However, the Company will not disregard a vote if it is cast by a person who is entitled to vote, in accordance with the directions on the Proxy Form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

### **Directors' Recommendation**

The Directors unanimously recommend that you vote in favour of the resolution.

### **Chairman's Voting Intention**

The Chairman of the Meeting intends to vote in favour of this resolution.

## **GLOSSARY**

**\$** means Australian Dollars

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

**AEST** means Australian Eastern Standard Time as observed in Sydney, Australia.

**ASX** means ASX Limited

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

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

**Closely Related Party** has the meaning as defined in section 9 of the Corporations Act.

**Company** means Adavale Resources Limited (ACN 000 969 362)

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

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

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

**Eligible Entity** means an entity that at the date of the relevant General Meeting:

- (a) Is not included in the A&P/ASX 300 Index; and
- (b) Has a market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

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

**Explanatory Notes** means the Explanatory Notes accompanying the Notice.

**Notice** or **Notice of Meeting** or **Notice of General Meeting** means this notice of general meaning and the explanatory notes accompanying the Notice and the Proxy Form.

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

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

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

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

# Adavale Resources Limited

ABN 96 008 719 015

## Lodge your vote:



### Online:

[www.investorvote.com.au](http://www.investorvote.com.au)



### By Mail:

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

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

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

## For all enquiries call:

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

000001 000 ADD  
MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Proxy Form



### Vote online

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

### Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I999999999

PIN: 99999

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



**For your vote to be effective it must be received by 10:00 am (Jakarta Time) Tuesday 16 June 2015**

## How to Vote on Items of Business

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

### Appointment of Proxy

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

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

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

**A proxy need not be a securityholder of the Company.**

## Signing Instructions for Postal Forms

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

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

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

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

## Attending the Meeting

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

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

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

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

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



I 9999999999

I ND

## Proxy Form

Please mark ☒ to indicate your directions

### STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Adavale Resources Limited hereby appoint

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the Chairman  
of the Meeting **OR**



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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Adavale Resources Limited to be held at the Company's Indonesian office at 8<sup>th</sup> Floor, The CEO Building, Jl. TB Simatupang 18C, Cilandak, Jakarta 12430 Indonesia on Thursday 18 June 2015 at 10.00am (Jakarta Time) and at any adjournment or postponement of that meeting.

### STEP 2 Items of Business



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

1 Ratification of Issue of Shares

For

Against

Abstain

☐☐☐

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

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

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact  
Name

\_\_\_\_\_

Contact  
Daytime  
Telephone

\_\_\_\_\_

Date / /

ADD

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Computershare +