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**MRL CORPORATION LIMITED**

**ACN 007 870 760**

**NOTICE OF GENERAL MEETING**

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**TIME:** 10:00 am WST

**DATE:** Monday 29 June 2015

**PLACE:** Level 4, The Read Buildings  
16 Milligan Street  
Perth WA 6000

*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.*

*Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 1300 660 448.*

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## IMPORTANT INFORMATION

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### Time and place of Meeting

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Notice is given that the Meeting will be held at 10:00 am (WST) on Monday 29<sup>th</sup> June 2015 at:

Level 4, The Read Buildings  
16 Milligan Street  
Perth WA 6000

### Your vote is important

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The business of the Meeting affects your shareholding and your vote is important.

### Voting eligibility

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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 at 10:00 am (WST) on Saturday 27<sup>th</sup> June 2015.

### Voting in person

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

### Voting by proxy

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

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

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

Further details on these changes are set out below.

#### ***Proxy vote if appointment specifies way to vote***

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does**:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (ie as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (ie as directed); and
- if the proxy is not the chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (ie as directed).

#### ***Transfer of non-chair proxy to chair in certain circumstances***

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
  - the proxy is not recorded as attending the meeting; or
  - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

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## BUSINESS OF THE MEETING

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### AGENDA

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#### 1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE - TRANCHE 1 PLACEMENT - SHARES

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

*"That, for the purposes of ASX Listing Rule 7.4 and all other purposes, Shareholders ratify the issue of 20,250,000 Shares on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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#### 2. RESOLUTION 2 – APPROVAL TO ISSUE – TRANCHE 2 PLACEMENT - SHARES

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

*"That, for the purposes of ASX Listing Rule 7.1 and all other purposes, Shareholders approve the offer and issue of 4,750,000 Shares on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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#### 3. RESOLUTION 3 – APPROVAL TO ISSUE – PLACEMENT - NEW OPTIONS

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

*"That, for the purposes of ASX Listing Rule 7.1 and all other purposes, Shareholders approve the offer and issue of 25,000,000 New Options on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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4. **RESOLUTION 4 – APPROVAL TO ISSUE - CORPORATE ADVISER PLACEMENT – NEW OPTIONS**

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

*"That, for the purposes of ASX Listing Rule 7.1 and all other purposes, Shareholders approve the offer and issue of 3,500,000 New Options on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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5. **RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE - SHARES**

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

*"That, for the purposes of ASX Listing Rule 7.4 and all other purposes, Shareholders ratify the issue of 150,000 Shares on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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6. **RESOLUTION 6 – APPROVAL TO ISSUE - CPS PLACEMENT – SHARES**

To consider and, if thought fit, to 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, Shareholders approve the Company to issue up to 325,000 Shares on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and 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 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: 27 May 2015

By order of the Board

A handwritten signature in black ink, appearing to read 'Peter Youd'. The signature is fluid and cursive, with a large loop at the end of the last name.

Mr Peter Richard Youd  
Company Secretary

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

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### 1. BACKGROUND TO RESOLUTIONS 1,2, 3 AND 4

On 13 May 2015, the Company announced it would raise up to \$1,000,000 via a private placement of up to 25,000,000 Shares at an issue price of \$0.04 per Share together with one (1) free attaching New Option for every one (1) Share (the **Placement**).

Far East Capital acted as the corporate advisor to the Placement and the Placement was managed by QA Capital Pty Ltd, as arranged by Far East Capital.

The Company issued 20,250,000 Shares without prior Shareholder approval out of its 15% annual placement capacity (**Tranche 1 Placement**), however, the issue of the remaining 4,750,000 Shares (**Tranche 2 Placement**) and the New Options remains subject to Shareholder approval (subject to Resolution 2 and Resolution 3 respectively).

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### 2. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE – TRANCHE 1 PLACEMENT - SHARES

#### 2.1 General

On 20 May 2015, the Company issued the 20,250,000 Shares under the Tranche 1 Placement without prior Shareholder approval out of its 15% annual placement capacity.

Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue of Shares under the Tranche 1 Placement, the Company will retain flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior shareholder approval.

#### 2.2 Specific information require by ASX Listing Rule 7.5 with respect to Resolution 1

For the purposes of ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 20,250,000 Shares were issued on 20 May 2015;

- (b) the issue price of the Shares was \$0.04 each;
- (c) the Shares issued are fully paid ordinary shares in the Company and rank equally in all respects with the Company's existing ordinary shares;
- (d) the Shares were issued to sophisticated and professional investors who are clients of QA Capital Pty Ltd to whom under section 708 of the Corporations Act a disclosure document under Chapter 6D of the Corporations Act is not required to be given, and none of whom is a related party of the Company; and
- (e) the funds from the Tranche 1 Placement will be used to progress development of MRL's high-grade graphite projects in Sri Lanka and to fund the next round of tests aimed at establishing the suitability of MRL's graphite for producing premium-priced graphene.

### **2.3 Directors' recommendation**

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

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## **3. RESOLUTION 2 – APPROVAL TO ISSUE – TRANCHE 2 PLACEMENT - SHARES**

### **3.1 General**

As set out in Section 1 above, the Company is yet to issue 4,750,000 Shares under the Tranche 2 Placement.

Resolution 2 seeks Shareholder approval for the issue of the Shares under the Tranche 2 Placement.

A summary of ASX Listing Rules 7.1 is set out in Section 2.1 above.

The effect of Resolution 2 will be to allow the Company to issue the Shares pursuant to the Tranche 2 Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

### **3.2 Technical information required by ASX Listing Rule 7.1**

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 2:

- (a) the maximum number of Shares to be issued is 4,750,000;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (c) the Shares will be issued at an issue price of \$0.04;
- (d) the Shares to be issued are fully paid ordinary shares in the Company and rank equally in all respects with the Company's existing ordinary shares;
- (e) the Shares will be issued to sophisticated and professional investors who are clients of QA Capital Pty Ltd to whom under section 708 of the Corporations Act a disclosure document under Chapter 6D of the



Corporations Act is not required to be given, and none of whom is a related party of the Company; and

- (f) the funds from the Tranche 2 Placement will be used to progress development of MRL's high-grade graphite projects in Sri Lanka and to fund the next round of tests aimed at establishing the suitability of MRL's graphite for producing premium-priced graphene.

### **3.3 Directors' recommendation**

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

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## **4. RESOLUTION 3 – APPROVAL TO ISSUE – PLACEMENT – NEW OPTIONS**

### **4.1 Background**

As set out in Section 1 above the Company undertook the Placement to raise up to \$1,000,000 via the issue of up to 25,000,000 Shares. The Company has agreed to issue, subject to Shareholder approval, one free attaching New Option for every Share issued under the Placement (which includes the Shares to be issued under the Tranche 1 Placement and the Tranche 2 Placement). The New Options are exercisable at \$0.10 on or before 21 May 2017. In this regard they are the same series and terms and conditions as the existing option series (ASX:MRFAI).

3 seeks Shareholder approval for the issue of these 25,000,000 New Options to be issued to the sophisticated and professional investors who participated in the Placement.

A summary of ASX Listing Rules 7.1 is set out in Section 2.1 above.

The effect of Resolution 3 will be to allow the Company to issue the New Options pursuant to the Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

### **4.2 Technical information required by ASX Listing Rule 7.1**

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 3:

- (a) the maximum number of New Options to be issued is 25,000,000;
- (b) the New Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the New Options will occur on the same date;
- (c) the New Options will be issued for nil cash consideration as free attaching to the Shares issued under the Placement on a one for one basis;
- (d) the New Options will be issued to sophisticated and professional investors who are clients of QA Capital Pty Ltd and participated in the Placement. None of these subscribers are related parties of the Company;

- (e) the New Options will be issued on the terms and conditions set out in Schedule 1; and
- (f) no funds will be raised from the issue as the New Options are being issued as free attaching to the Shares issued under the Placement on a one for one basis.

#### 4.3 Directors' recommendation

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

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## 5. RESOLUTION 4 – APPROVAL TO ISSUE - CORPORATE ADVISER PLACEMENT – OPTIONS

### 5.1 General

Resolution 4 seeks Shareholder approval for the issue of 3,500,000 New Options, in consideration for services provided by Far East Capital (**Corporate Adviser Placement**).

The purpose of this Resolution is to issue New Options to Far East Capital in relation to the corporate advisory services provided by Far East Capital in relation to the Placement.

A summary of ASX Listing Rules 7.1 is set out in Section 2.1 above.

The effect of Resolution 4 will be to allow the Company to issue the New Options pursuant to the Corporate Adviser Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

### 5.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 4:

- (a) the maximum number of New Options to be issued is 3,500,000;
- (b) the New Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the New Options will occur on the same date;
- (c) the issue price of the New Options will be for nil cash consideration in satisfaction of the corporate advisory services provided by Far East Capital in relation to the Placement;
- (d) the New Options will be issued to Far East Capital (and/or its nominees). The Company confirms none of the receivers will be related parties of the Company;
- (e) the New Options will be issued on the terms and conditions set out in Schedule 1; and
- (f) no funds will be raised from the Corporate Adviser Placement as the New Options are being issued in consideration for the services provided by Far East Capital in relation to the Placement.

### 5.3 Directors' recommendation

The Directors recommend that the Shareholders vote in favour of the resolution

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## 6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE - SHARES

### 6.1 General

On 20 May 2015, the Company issued 150,000 Shares in consideration for services provided by a Sri Lankan employee of the Company.

Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares.

A summary of ASX Listing Rules 7.1 and 7.4 is set out in section 2.1 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

### 6.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 5:

- (a) 150,000 Shares were issued;
- (b) the Shares were issued for nil cash consideration to remunerate one of the Company's Sri Lankan employees;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to Theenathayalan Gobinath, a Sri Lankan employee of the Company, who is not a related party of the Company; and
- (e) no funds were raised from this issue as the Shares were issued in consideration to remunerate one of the Company's Sri Lankan employees.

### 6.3 Directors' recommendation

The Directors recommend that the Shareholders vote in favour of the resolution

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## 7. RESOLUTION 6 – APPROVAL TO ISSUE - CPS PLACEMENT – SHARES

### 7.1 General

In March 2013, the Company entered into a corporate advisory mandate with CPS Securities Pty Ltd (**CPS**) (**Mandate**) whereby CPS was engaged to introduce suitable assets to the Company for the purpose of acquisition. Later in 2013, after the introduction by CPS, the Company acquired MRL Graphite (Pvt) Ltd and its Sri Lankan graphite projects from Supreme Solutions (Pvt) Ltd (**Acquisition**).

Under the terms of Mandate and in consideration for the corporate advisory services provided by CPS in relation to the Acquisition, the Company has agreed to issue to CPS 325,000 Shares (**CPS Placement**).

Resolution 6 seeks Shareholder approval for the issue of 325,000 Shares under the CPS Placement.

A summary of ASX Listing Rule 7.1 is set out in Section 2.1 above.

The effect of Resolution 6 will be to allow the Company to issue the Shares pursuant to the CPS Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

## **7.2 Technical information required by ASX Listing Rule 7.1**

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the CPS Placement:

- (a) the maximum number of Shares to be issued is 325,000;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (c) the Shares will be issued for nil cash consideration in satisfaction of corporate advisory services provided to the Company by CPS in relation to the Acquisition in 2013;
- (d) the Shares will be issued to CPS (or its nominee), who is not a related party of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) no funds will be raised from the CPS Placement as the Shares are being issued in consideration for corporate advisory services provided to the Company.

## **7.3 Directors' recommendation**

The Directors recommend that the Shareholders vote in favour of the resolution

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## GLOSSARY

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**\$** means Australian dollars.

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

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

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

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

**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.

**Chair** means the chair of the Meeting.

**Closely Related Party** of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* (Cth).

**Company** means MRL Corporation Limited (ACN 007 870 760).

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

**Corporate Adviser Placement** has the meaning given to the term in Section 5.1 of the Explanatory Statement.

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

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

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**Far East Capital** means Far East Capital Pty Ltd (ACN 068 838 193).

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

**New Option** means an option to acquire a Share with the terms and conditions set out in Schedule 1.

**Notice** or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

**Optionholder** means a holder of a New Option as the context requires.

**Placement** has the meaning given to the term in Section 1 of the Explanatory Statement.

**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 registered holder of a Share.

**Tranche 1 Placement** has the meaning given to the term in Section 1 of the Explanatory Statement.

**Tranche 2 Placement** has the meaning given to the term in Section 1 of the Explanatory Statement.

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

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## SCHEDULE 1 – TERMS AND CONDITIONS OF NEW OPTIONS

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The New Options will be granted on the terms set out below:

- (a) Each New Option entitles the holder to subscribe for one Share in the Company at an exercise price of 10 cents (**Exercise Price**).
- (b) The New Options will expire at 5:00 pm (AEST) on 21 May 2017 (**Expiry Date**). Any New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The Company will apply for quotation of New Options on ASX within 7 days after the date of the prospectus. If ASX does not grant official quotation of the Shares and New Options within 3 months after the date of the Prospectus, the Company will not issue any New Options.
- (d) There is no obligation to exercise the New Options.
- (e) The New Options may be exercised in whole or in part, and if exercised in part, multiples of 500 New Options must be exercised on each occasion. Where less than 500 Options are held, all New Options must be exercised together.
- (f) A holder of Options may exercise its New Options by lodging with the Company Secretary at the Company's registered office, before the Expiry Date:
  - (i) A written notice of exercise of New Options specifying the number of Options being exercised (**Exercise Notice**); and
  - (ii) A cheque or electronic funds transfer for the total Exercise Price for the number of New Options being exercised.
- (g) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (h) Within 10 Business Days of receipt of the Exercise Notice accompanied by the appropriate Exercise Price, the Company will allot the number of Shares required under these terms in respect of the number of New Options specified in the Exercise Notice.
- (i) The New Options are freely transferable.
- (j) All Shares issued upon the exercise of New Options will be fully paid and will rank pari passu in all respects with other issued Shares. The rights and liabilities attaching to the Shares issued upon exercise of the New Options are set out above.
- (k) The Company will apply for Official Quotation by ASX of the Shares issued upon exercise of New Options within 10 Business Days of issue of the Shares.
- (l) If the Company offers Shares by way of a pro rata issue (except a bonus issue) to the holders of Shares (whether renounceable or non-renounceable), the exercise price of a New Option may be reduced in accordance with the formula set out in Listing Rule 6.22.2.
- (m) If there is a bonus issue to the holders of Shares in the Company then the number of Shares over which each New Option is exercisable will be increased by the number of Shares which the holder would have received under the bonus issue if the New Option had been exercised before the record date for the bonus issue.

- (n) In the event of any reorganisation (including a consolidation, sub-division, reduction, cancellation or return) of the issued capital of the Company, the rights of the New Option holder will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- (o) New Options do not entitle the holder to:
  - (i) participate in a new issue of Shares or other Securities;
  - (ii) receive dividends; or
  - (iii) attend, or vote at, meetings of the Company,without first exercising the New Option.
- (p) Other than as set out above, a New Option does not confer the right to a change in the Exercise Price or a change in the number of underlying Securities over which the New Option can be exercised.