



(ACN 000 317 251)

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

**AND**

**EXPLANATORY MEMORANDUM  
TO SHAREHOLDERS**

**A PROXY FORM IS ENCLOSED**

**Date of Meeting**  
30 June 2015

**Time of Meeting**  
10.30 am AEST

**Place of Meeting**  
QT Gold Coast,  
Gold Coast Highway (Corner Staghorn Avenue),  
Surfers Paradise, Queensland.

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

*If you are unable to attend the Meeting, please complete the form of proxy enclosed and return it in accordance with the instructions set out on that form.*

*To assist the company, if you are planning to attend would you please advise the company either by:-*

*E-mailing- [admin@cudeco.com.au](mailto:admin@cudeco.com.au); or  
    Calling the CuDeco office on 07 5503 1955.*

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## NOTICE OF MEETING

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**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting of the members of CuDeco Limited ACN 000 317 251 (**Company**) will be held on 30 June 2015 at 10.30am AEST at QT Gold Coast, Gold Coast Highway (Corner Staghorn Avenue), Surfers Paradise, Queensland.

The enclosed Explanatory Memorandum accompanies and forms part of this Notice of Meeting.

### AGENDA

#### ORDINARY BUSINESS

##### **Resolution 1 – Ratification of Prior Share Issue**

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company:

“That, in accordance with ASX Listing Rule 7.4, and for all other purposes, Shareholders ratify the previous issue of 1,200,000 Shares on 7 May 2015 to Gao Zhan Ying, on the terms and conditions as set out in the Explanatory Memorandum forming part of this Notice of Meeting.”

##### **VOTING EXCLUSION STATEMENT FOR RESOLUTION 1**

The Company will disregard any vote cast by:

- (a) Gao Zhan Ying; and
- (b) an associate of Gao Zhan Ying.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

##### **Resolution 2 – Ratification of Prior Share Issue**

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company:

“That, in accordance with ASX Listing Rule 7.4, and for all other purposes, Shareholders ratify the previous issue of 4,000,000 Shares on 7 May 2015 to Focus Sun Holdings Limited, on the terms and conditions as set out in the Explanatory Memorandum forming part of this Notice of Meeting.”

##### **VOTING EXCLUSION STATEMENT FOR RESOLUTION 2**

The Company will disregard any vote cast by:

- (a) Focus Sun Holdings Limited; and
- (b) an associate of Focus Sun Holdings Limited.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

##### **Resolution 3 – Approval of Share Issue**

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company:

“That, in accordance with ASX Listing Rule 7.1, and for all other purposes, the Company be authorised to issue 36,000,000 Shares to Focus Sun Holdings Limited (or its nominee) on the terms and conditions as set out in the Explanatory Memorandum forming part of the Notice of this Extraordinary General Meeting.”

##### **VOTING EXCLUSION STATEMENT FOR RESOLUTION 3**

The Company will disregard any vote cast by:

- (a) Focus Sun Holdings Limited or any other person who may participate in the proposed issue; and
- (b) an associate of that person (or persons).

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However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides. .

#### **Resolution 4 – Approval of Option Issue**

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company:

“That, in accordance with ASX Listing Rule 7.1, and for all other purposes, the Company be authorised to issue to Focus Sun Holdings Limited 20,000,000 Options to acquire shares in CuDeco Limited at \$1.25 per share, at any time before the date which is 2 years after the date the options are granted on the terms and conditions as set out in the Explanatory Memorandum forming part of the Notice of this Extraordinary General Meeting.”

#### **VOTING EXCLUSION STATEMENT FOR RESOLUTION 4**

The Company will disregard any vote cast by:

- (a) Focus Sun Holdings Limited or any other person who may participate in the proposed issue; and
- (b) an associate of that person (or persons).

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

#### **Resolution 5 - Adoption of new constitution**

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

“That conditional upon the listing committee of The Stock Exchange of Hong Kong Limited (**HKSe**) granting listing by way of introduction of, and permission to deal in, the shares of the Company (**Shares**) on the Main Board of the HKSe (**Listing**) and such approval not subsequently having been revoked prior to the commencement of dealings in the Shares, the Company repeal its existing constitution and adopt the constitution tabled at this Extraordinary General Meeting and, for the purpose of identification, signed by the Chairman as its new constitution in substitution for, and to the exclusion of, the existing constitution of the Company”.

#### **Resolution 6 - Issuing Mandate**

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company:

“That conditional upon the listing committee of The Stock Exchange of Hong Kong Limited (**HKSe**) granting listing by way of introduction of, and permission to deal in, the shares of the Company (**Shares**) on the Main Board of the HKSe (**Listing**) and such approval not subsequently having been revoked prior to the commencement of dealings in the Shares:

- (a) a general unconditional mandate be and is hereby given to the Directors to allot, issue and deal with (including granting offers, agreements and options and the issue of Shares upon exercise of those rights) an aggregate number of Shares of not more than 20% of the total number of Shares issued by the Company immediately following completion of the Listing (**Issuing Mandate**);
- (b) the Issuing Mandate does not apply to:
  - (i) a rights issue;
  - (ii) any scrip dividend scheme;
  - (iii) the exercise of any subscription warrants which may be issued by the Company from time to time;
  - (iv) the exercise of the options under any share option scheme under Chapter 17 of the Rules Governing the Listing of Securities on the HK Stock Exchange (as amended from time to time);

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- (v) an issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the constitution of the Company; or
  - (vi) a special authority granted by the shareholders of the Company in a general meeting;
- (c) the Issuing Mandate remains in effect until whichever is the earliest of:
- (i) the conclusion of the Company's next annual general meeting unless by ordinary resolution passed at that meeting, the Issuing Mandate is renewed, either unconditionally or subject to conditions; or
  - (ii) the expiration of the period within which the Company is required by the applicable law or the constitution of the Company to hold its next annual general meeting; or
  - (iii) when varied, revoked or renewed by an ordinary resolution of the shareholders of the Company in general meeting; and
- (d) the Issuing Mandate is granted for the purposes of Rule 13.36(2)(b) of the Rules Governing the Listing of Securities on the HK Stock Exchange (as amended from time to time) and the Company will seek such further approvals as may be required by it under the ASX Listing Rules for any issues made under the Issuing Mandate."

### **General Business**

To consider any other business which may lawfully be brought forward.

BY ORDER OF THE BOARD



B. J. Bamonte  
Company Secretary  
1 June 2015

Members who do not plan to attend the Meeting are encouraged to complete and return a proxy form attached to the Explanatory Memorandum.

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

- (a) each member has the right to appoint a proxy;
- (b) the proxy need not be a member of the Company; and
- (c) a member 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 Article 15.1 of the Company's constitution, each proxy may exercise one-half of the votes.

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# CUDECO LIMITED

ACN 000 317 251

## EXPLANATORY MEMORANDUM

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### INTRODUCTION

This Explanatory Memorandum has been prepared for the information of Shareholders of CuDeco Limited ACN 000 317 251 (**CuDeco** or **Company**) in connection with the business to be conducted at the Company's Extraordinary General Meeting to be held on 30 June 2015 at 10.30am AEST at QT Gold Coast, Gold Coast Highway (Corner Staghorn Avenue), Surfers Paradise, Queensland.

This Explanatory Memorandum should be read in conjunction with the accompanying Notice of Meeting.

Terms used in this Explanatory Memorandum are defined in section 6.

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions

### 1. RESOLUTION 1 – Ratification of Prior Share Issue

On 7 May 2015 the Company issued 1,200,000 Shares at \$1.25 per share to Gao Zhan Ying as a share placement raising funds for the Company. The funds raised will assist to advance its Rocklands Copper Project.

#### Regulatory Requirements

ASX Listing Rule 7.1 prohibits a listed company, except in certain cases, from issuing new equity securities equivalent in number to more than 15% of its capital in any 12 month period without the prior approval of its shareholders (**15% Rule**).

The general operation of the 15% Rule means that the Company cannot issue new securities which exceed 15% of the issued capital of the Company in any 12 month period without the prior approval of its shareholders. Accordingly, the Directors are seeking Shareholder ratification of the previous issue of the Shares in accordance with ASX Listing Rule 7.4. The effect of the Shareholders approving this Resolution will be to remove these Shares issued from the operation of the 15% Rule and enable the Company to issue up to the same number of further Shares for any subsequent requirements that may arise.

Under Listing Rule 7.4, an issue of securities made without approval under ASX Listing Rule 7.1 is treated as having been made with approval if the issue:

- did not breach Listing Rule 7.1 (i.e. the issue did not exceed the 15% limit under ASX Listing Rule 7.1); and
- holders of the ordinary securities subsequently approve the issue.

#### Specific Information required by ASX Listing Rule 7.5 with respect to Resolution 1

For the purposes of ASX Listing Rule 7.5 information is provided as follows:-

- (i) The total number of Shares issued to Gao Zhan Ying was 1,200,000 Shares.
- (ii) The price at which the Shares were issued was \$1.25 per Share.
- (iii) The Shares issued were fully paid ordinary shares in the Company which rank equally in all respects with the Company's existing quoted shares.
- (iv) The Shares were issued on 7 May 2015.
- (v) The shares were issued as part of a share placement that raised \$1,500,000 in cash. The funds raised will assist to advance its Rocklands Copper Project.

A voting exclusion statement is included in the Notice.

#### Recommendation

The Board recommends Shareholders vote in favour of Resolution 1.

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## 2. RESOLUTIONS 2, 3 and 4– Ratification of Prior Share Issues, and Approval of the Issue of Shares and Options

### BACKGROUND

On 28 April 2015, the Company and Focus Sun Holdings Limited (**FSHL**) entered into a subscription agreement (**Subscription Agreement**) whereby FSHL agreed to subscribe for, and the Company agreed to issue:

- 4,000,000 Shares at an issue price of \$1.25 per Share (**Tranche 1 Shares**);
- 36,000,000 Shares at an issue price of \$1.25 per Share (**Tranche 2 Shares**); and
- 20,000,000 Options at a nil issue price per Option, exercisable at \$1.25 per Share at any time before the date which is 2 years after the date the Options are granted (**Subscription Options**).

The Tranche 1 Shares were issued to FSHL, and the Company received \$5,000,000 in consideration for the issue of Tranche 1 Shares, on 7 May 2015.

The issue of the Tranche 2 Shares and Subscription Options is subject to satisfaction or waiver of certain conditions, including FIRB approval and the approval of Shareholders (which is the purpose of this General Meeting) and:

- receipt of written confirmation (to FSHL's satisfaction) from the HKSe that, among other things, FSHL's proposed acceptance of the grant of the Subscription Options on the terms of the Subscription Agreement is in compliance with certain guidance letters of the HKSe, and the relevant Hong Kong Listing Rules;
- no material adverse change occurring in relation to the Company and its subsidiaries; and
- no insolvency event occurring in relation to the Company and its subsidiaries.

The Tranche 2 Shares and Subscription Options are to be issued 7 days after the satisfaction or waiver of the conditions set out in the Subscription Agreement (or such other date as agreed in writing between the Company and FSHL).

After the completion of the subscription for Tranche 2 Shares, FSHL has the right to nominate 1 person to be appointed as an executive director of the Company. This right extinguishes on the date on which Shares of the Company are initially listed on the HKSe.

The Company has also agreed to seek the necessary waiver of the ASX Listing Rules required for the Company to grant FSHL a right to participate in any future capital raising of the Company such that FSHL is able to maintain its proportionate shareholding in the Company. This right commences on the date the necessary waiver of the ASX Listing Rules is obtained, and extinguishes immediately before the date on which Shares of the Company are initially listed on the HKSe.

The Directors of the Company believe the Subscription Agreement is in Shareholder's interest.

### RESOLUTION 2 – Ratification of Prior Share Issue

As noted above the Company issued 4,000,000 Shares (i.e., the Tranche 1 Shares) to FSHL as a share placement raising \$5 Million for the Company. The issue of the Tranche 1 Shares was completed on 7 May 2015 and was the first tranche of a larger capital raising contemplated by the Subscription Agreement, approval for which is sought at this meeting.

#### Regulatory Requirements

ASX Listing Rule 7.1 prohibits a listed company, except in certain cases, from issuing new equity securities equivalent in number to more than 15% of its capital in any 12 month period without the prior approval of its shareholders (**15% Rule**).

The general operation of the 15% Rule means that the Company cannot issue new securities which exceed 15% of the issued capital of the Company in any 12 month period without the prior approval of its shareholders. Accordingly, the Directors are seeking Shareholder ratification of the previous issue of the Shares in accordance with ASX Listing Rule 7.4. The effect of the Shareholders approving this Resolution will be to remove these Shares from the operation of the 15% Rule and enable the Company to issue up to the same number of further Shares for any subsequent requirements that may arise.

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Under Listing Rule 7.4, an issue of securities made without approval under ASX Listing Rule 7.1 is treated as having been made with approval if the issue:

- did not breach Listing Rule 7.1 (i.e. the issue did not exceed the 15% limit under ASX Listing Rule 7.1); and
- holders of the ordinary securities subsequently approve the issue.

#### **Specific Information required by ASX Listing Rule 7.5 with respect to Resolution 2**

For the purposes of ASX Listing Rule 7.5 information is provided as follows:-

- (i) The total number of Shares issued to FSHL was 4,000,000 Shares.
- (ii) The price at which the Shares were issued was \$1.25 per Share.
- (iii) The Shares issued were fully paid ordinary shares in the Company which rank equally in all respects with the Company's existing quoted shares.
- (iv) The Shares were issued on 7 May 2015.
- (v) The shares were issued as part of a share placement contemplated by the Subscription Agreement that raised \$5,000,000 in cash. The funds raised will be used in the development of or for working capital in relation to the Company's Rocklands Copper Project.

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

#### **Recommendation**

The Board recommends Shareholders vote in favour of Resolution 2.

#### **RESOLUTION 3 – Approval of Share Issue**

Pursuant to the terms of the Subscription Agreement, the Company has agreed to make a further placement with FSHL (or its nominee) of 36,000,000 ordinary fully paid shares in the Company (i.e., the Tranche 2 Shares). The capital raised will be sufficient to complete the capital works at the Rocklands Copper Project and provide the Company with sufficient working capital to satisfy the listing requirements for its proposed listing on HKSe.

Resolution 3 seeks approval by Shareholders pursuant to ASX Listing Rule 7.1 of this new securities issue.

#### **Specific Information required by ASX Listing Rule 7.3 with respect to Resolution 3**

For the purposes of ASX Listing Rule 7.3 information is provided as follows:-

- (i) 36,000,000 ordinary fully paid Shares will be issued to raise a total of up to \$A45,000,000.
- (ii) The issue price of the Shares will be \$1.25 per Share.
- (iii) The Shares to be issued are fully paid ordinary Shares in the Company and will rank equally in all respects with the Company's existing quoted Shares.
- (iv) The allottee of the Tranche 2 Shares will be Focus Sun Holdings Limited (or its nominee). The allottee is not a related party of the Company.
- (v) The funds raised from the Share issue will be used in the development of or for working capital in relation to the Company's Rocklands Copper Project.
- (vi) The Shares will be issued after satisfaction or waiver of various conditions precedent set out in the Subscription Agreement (including FIRB approval) and in any event will be issued within 3 months after the date of the General Meeting.

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

#### **Recommendation**

The Board recommends Shareholders vote in favour of Resolution 3.

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## RESOLUTION 4 – Approval of Option Issue

As part of the capital raising with FSHL, the Company has agreed to grant FSHL 20,000,000 Options to acquire shares in the Company at \$1.25 per share, exercisable at any time before the date which is 2 years after the date the options are granted.

Resolution 4 seeks approval by shareholders pursuant to ASX Listing Rule 7.1 of this new securities issue.

### Specific Information required by ASX Listing Rule 7.3 with respect to Resolution 4

For the purposes of ASX Listing Rule 7.3 information is provided as follows:-

- (i) The total number of Options to be issued is 20,000,000 exercisable at \$1.25 per Share at any time before the date which is 2 years after the date the Options are granted.
- (ii) The consideration for the issue of the Subscription Options will be nil.
- (iii) Each Subscription Option entitles the holder upon exercise to be issued with one fully paid ordinary Share in the capital of the Company issued on the same terms and conditions as the Company's existing quoted Shares.
- (iv) The allottee of the Subscription Options will be FSHL.  
The allottee is not a related party of the Company.
- (v) The capital raised from the exercise of the Subscription Options will be used in the development of the Rocklands Copper Project or for working capital in relation to the Rocklands Copper Project.
- (vi) The Subscription Options will be granted on the same date as the issue of the Tranche 2 Shares to FSHL (or its nominee), and in any event will be granted within 3 months after the date of the General Meeting.

Further details of the Subscription Options are set out in section 5 of this Explanatory Memorandum.

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

### Recommendation

The Board recommends Shareholders vote in favour of Resolution 4.

## 3. Resolution 5 - Adoption of the new constitution

The Company's current constitution was adopted by the members on 30 November 2005 and has not been updated since then. As the Company intends to complete a dual primary listing on HKSe, then upon completion of the Listing, the Company needs to comply with the Hong Kong Listing Rules in addition to the Corporations Act and the ASX Listing Rules. Given the number of amendments, the Company therefore proposes to adopt a new constitution to allow for it to comply with the requirements of the Hong Kong Listing Rules and other customary requirements for companies listed on the HKSe. The adoption is conditional on the Company gaining admission to the HKSe.

The Company is also taking the opportunity to make some amendments to ensure the constitution is in compliance with recent amendments to the Corporations Act and ASX Listing Rules.

A copy of the new constitution will be tabled at this meeting and, for the purpose of identification, signed by the Chairman as its new constitution in substitution for, and to the exclusion of, the existing constitution of the Company. The proposed new constitution and an explanatory table for the key differences between it and the existing constitution is available on our website at [www.cudeco.com.au](http://www.cudeco.com.au). Shareholders may also obtain a copy by contacting the Company. A copy of the proposed constitution will also be available at the meeting.

Some of the key differences between the existing constitution and the proposed new constitution are:

- (a) **Registers** – amendments to provide for a Hong Kong branch register of members in addition to the Australian register of members;
- (b) **Central Clearing and Settlement System (CCASS)** amendments – shares on the Hong Kong branch register may be held by CCASS and the Company will be required to comply with CCASS securities eligibility criteria and operational requirements before any of its Hong Kong shares can be admitted to trading on the HKSe;
- (c) **Allowing for members who are clearing houses** - under Hong Kong law, a 'clearing house' includes CCASS, which provides clearing and settlement services, depository and nominee services;



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- (d) **Number of directors** – under the Hong Kong Listing Rules the Board must include at least three independent non-executive directors representing at least one-third of the Board and at least one of the independent non-executive directors must have appropriate professional qualifications or accounting or related financial management expertise;
- (e) **Qualification of directors** – no director is required to vacate office or be ineligible for re-election or re-appointment as a director and no person shall be ineligible for appointment as a director by reason only of his having attained any particular age;
- (f) **Cessation of director's appointment** – to include an additional item that the office of a director automatically becomes vacant if the person who holds the office has been validly required by the ASX or the HKSe to cease to be a director and the relevant time period for application for review of or appeal against such a requirement has lapsed and no application for review or appeal has been filed or is underway against such requirement;
- (g) **Removal of director from office** – to provide that removal from office under the rule should not be taken as depriving a director of compensation or damages payable in respect of termination of his appointment as director or of any other appointment or office;
- (h) **New register of directors** - to provide for the Company to keep a register of directors and officers and to notify of changes to ASIC, the Registrar of Companies in Hong Kong, the ASX and the HKSe as required;
- (i) **Appointment of Alternate Directors** – to provide that appointment of an alternate (which may be another director) be by notice in writing. Such appointment is to be approved by the Board (and may not be withheld where the proposed appointee is a director). To allow for the rights of alternate directors in relation to committees of the Board and to clarify that if an alternate is a director, that the alternate's appointment terminates if that director is vacated from office;
- (j) **Powers of the Board** – to clarify that the Board's powers are subject to the constitution, the Corporations Act, the ASX Listing Rules, the Hong Kong Listing Rules and matters validly authorised or approved by the Company in general meeting;
- (k) **Appointment of Managing Director** – to clarify that the appointment is upon such terms as the Board thinks fit and upon such terms as to remuneration as it may decide in addition to such remuneration as the recipient may be entitled to receive as a director;
- (l) **Delegation to committee or attorney** – to comply with the Hong Kong Listing Rules which include requirements that the committee have written terms of reference which clearly establish its authority and duties and that an attorney be appointed by power of attorney;
- (m) **Terms of delegation** – to provide that powers delegated to a committee or attorney do not exceed those vested in or exercisable by the Board under the constitution;
- (n) **Declaration of interests by Directors where director interested in agreement** – to provide that a director shall not vote on any board resolution approving any contract or arrangement or any other proposal in which he or any of his close associates has a material interest nor shall he be counted in the quorum present at the meeting. A list of matters in which the director or his associates shall not be considered to have a personal material interest is to be inserted which largely reflects the matters permitted under the Hong Kong Listing Rules;
- (o) **Who can decide whether a Director may vote** – a new rule is to be inserted as a consequence of the amendments regarding non-voting by directors interested in agreements to provide for who can decide whether that director may vote;
- (p) **Notice of Board meetings** – that at least 14 days be given of a regular board meeting to give all directors an opportunity to attend. For all other board meetings, reasonable notice should be given;
- (q) **Quorum for class meeting of members** – to comply with the Hong Kong Listing Rules a quorum for a separate class meeting (other than an adjourned meeting) to consider a variation of the rights of any class of share needs to be the holders of at least one-third of the issued shares of that class;
- (r) **Appointment of Corporate Representatives/Proxies by clearing houses** – to comply with the CCASS guide, clearing houses are permitted to appoint more than one corporate representative/proxy to attend, vote and act at general meetings as if they were individual members, including the right of speech and the right to vote on a show of hands and on a poll. The rule has been amended to accommodate members who are clearing houses and to clarify their voting entitlements where they appoint more than 2 proxies/representatives;
- (s) **Method of voting** – the Hong Kong Listing Rules may require a poll to decide a resolution (rather than a show of hands);
- (t) **Announcement of poll results** – to provide for the announcement of the meeting's poll results as required under the Hong Kong Listing Rules and to appoint a scrutineer for the vote-taking;
- (u) **Minutes** – to provide that declarations of interest or any office whereby any conflict or duty or interest arises is included in the minutes;
- (v) **Financial Reporting** - to provide for financial reports to be prepared and laid before the members at every annual general meeting, and sent to members before that meeting as required under both the ASX Listing Rules and the Hong Kong Listing Rules;
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- (w) **Audit** – to provide that the Company must allow the auditor to attend each annual general meeting and make written and/or verbal representations to shareholders at that meeting;
  - (x) **Share capital** – to confirm that the share capital of the Company as at the date of the constitution comprises ordinary shares as the Hong Kong Listing Rules require that the structure of the share capital be stated;
  - (y) **Joint holders** – the Company is not bound to register more than four persons as joint holders of any share;
  - (z) **Pre-payment of calls** – no sum paid in advance of calls on a partly paid share shall entitle the member to any portion of a dividend declared in respect of any period prior to the date upon which such sum would, but for such payment, become presently payable;
  - (aa) **Obligation to pay calls** – to clarify that a person is liable to pay calls notwithstanding the subsequent transfer of the shares and that privileges (dividends, voting) are suspended while calls are in arrears;
  - (bb) **Cancellation of forfeiture** – to insert a power to redeem forfeited shares;
  - (cc) **Dividends** – the Corporations Act was amended by replacing the requirement that dividends be paid out of company profits with a test based on solvency. The dividend provisions have been updated to remove the restriction that they be paid out of profit which gives the directors the flexibility to resolve to pay a dividend as permitted by law; and
  - (dd) **Closure of books and record date** – to insert a provision to address the Hong Kong Listing Rule requirements in relation to the closure of books and the record date.

There are also other amendments which are administrative or relatively minor in nature which will not result in any material change to the rights and obligations of shareholders. These include the insertion of new definitions or the updating of existing definitions.

The above summary is not intended to be exhaustive as to all changes and therefore we encourage shareholders to review the proposed new constitution to determine the effect of the changes on the shareholder's individual circumstances.

In accordance with the ASX Listing Rules, a copy of the proposed new constitution was provided to ASX for examination and ASX has confirmed it has no objections.

The resolution is a special resolution and in order to be successful, must be passed by at least 75% of the votes cast by members entitled to vote on the resolution.

## **Recommendation**

The Board recommends Shareholders vote in favour of Resolution 5 as the Board considers that the new constitution is appropriate to allow for the proposed listing on the HKSe.

## **4. Resolution 6 - General Mandate to issue Shares**

The Company intends to complete its dual primary listing on HKSe as soon as practicable and upon completion of the Listing, the Company needs to comply with both the ASX Listing Rules and Hong Kong Listing Rules.

In Australia under the ASX Listing Rules, ASX Listing Rule 7.1 prohibits the Company, except in certain cases, from issuing new equity securities equivalent in number to more than 15% of its capital in any 12 month period without the prior approval of its shareholders (**15% Rule**). The general operation of the 15% Rule means that the Company cannot issue new securities which exceed 15% of the issued capital of the Company in any 12 month period without the prior approval of the Shareholders. The Company can seek Shareholders' ratification to the previous issue of Shares in accordance with ASX Listing Rule 7.4. The effect of the Shareholders approving that resolution will be to remove those Shares from the operation of the 15% Rule and enable the Company to issue further Shares for any subsequent requirements that may arise.

Under ASX Listing Rule 7.4, an issue of securities made without approval under ASX Listing Rule 7.1 is treated as having been made with approval if the issue:

- (i) did not breach Listing Rule 7.1 (i.e. the issue did not exceed the 15 % limit under the ASX Listing Rule 7.1); and
- (ii) holders of the ordinary securities subsequently approve the issue.

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In Hong Kong, **Rule 13.36(1)(a)** of the Hong Kong Listing Rules provides that except in the circumstances mentioned in rule 13.36(2), the directors of the issuer shall obtain the consent of shareholders in general meeting prior to allotting, issuing or granting of (i) shares; (ii) securities convertible into shares; or (iii) options, warrants or similar rights to subscribe for any shares or such convertible securities.

This is to ensure that a shareholder should be able to protect his proportion of the total equity by having the opportunity to subscribe for any new issue of equity securities. Accordingly, unless shareholders otherwise permit, all issues of equity securities by the issuer must be offered to the existing shareholders pro rata to their existing holdings, and only to the extent that the securities offered are not taken up by such persons may they be allotted or issued to other persons or otherwise than pro rata to their existing holdings.

**Rule 13.36(2)(b)** of the Hong Kong Listing Rules provides that no such consent as is referred to in rule 13.36(1)(a) shall be required if, but only to the extent that, the existing shareholders of the issuer have by ordinary resolution in general meeting given a general mandate to the directors of the issuer, either unconditionally or subject to such terms and conditions as may be specified in the resolution, to allot or issue such securities or to grant any offers, agreements or options which would or might require securities to be issued, allotted or disposed of, whether during the continuance of such mandate or thereafter, subject to a restriction that the aggregate number of securities allotted or agreed to be allotted must not exceed the aggregate of 20% of the existing issued share capital of the issuer plus the number of such securities repurchased by the issuer itself since the granting of the general mandate (up to a maximum number equivalent to 10% of the existing issued share capital of the issuer), provided that the existing shareholders of the issuer have by a separate ordinary resolution in general meeting given a general mandate to the directors of the issuer to add such repurchased securities to the 20% general mandate.

Given that Hong Kong does not have an equivalent to Australia's 15% Rule, the Company needs to have a general mandate to issue shares in place for the purposes of the Hong Kong Listing Rules. If Resolution 6 is passed, upon Listing the Company will under 13.36(2)(b) of the Hong Kong Listing Rules have a mandate to issue up to 20% of the Shares on issue immediately upon completion of the Listing until its next annual general meeting. However, any shareholder approval required under Australian law (including under ASX Listing Rule 7.1 and other ASX Listing Rules) will still be necessary, if applicable.

## **5. Summary of terms of Subscription Options**

Under the Subscription Agreement, FSHL will subscribe for the Subscription Options. Each Subscription Option is exercisable at \$1.25 per Share at any time before the expiry of 2 years from the date of issue of the Subscription Options.

If FSHL exercises the Subscription Options, each Subscription Option will give FSHL one Share in the Company and all Shares issued upon the exercise of the Subscribed Options will rank equally in all respects with other ordinary shares of the Company.

The Subscription Options may be transferred by FSHL.

The Subscription Options are unlisted, and quotation of the options will not be sought.

If, before the expiry date of the Subscription Options, the Company undertakes a bonus issue of Shares to Shareholders the Company must (in addition to any Shares to be issued to FSHL on exercise of a Subscription Option), issue to FSHL the number of bonus Shares as FSHL would have been entitled to receive under the bonus issue if FSHL had exercised its Subscription Options:

- immediately prior to the record date for the issue of bonus Shares; or
- if before the exercise of the Subscription Options there has been more than one issue of bonus Shares, immediately prior to the record date for the first issue of bonus Shares, and had retained all the Shares issued on conversion together with all the bonus Shares which would have been issued to following the first issue of bonus Shares.

If there is a reorganisation of the issued capital of the Company before the expiry date of the Subscription Options, then the number of Subscription Options (or the exercise price of the Subscription Options) will be reconstructed in accordance with ASX Listing Rule 7.22 (or its replacement or successor).

If there is a pro-rata issue (except a bonus issue) to the holders of Shares then the exercise price of the Subscription Options will be reduced in accordance with the formula set out in ASX Listing Rule 6.22.2.

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## 6. Glossary of Terms

**15% Rule** has the meaning given to that term in the Explanatory Memorandum in respect of Resolutions 1, 2, 3, 4 and 6.

**ASX** means ASX Limited ACN 008 624 691 or the Australian Securities Exchange.

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

**Board** means the board of Directors of the Company.

**Chairman** means the chairman of the Company.

**Company** or **CuDeco** means CuDeco Limited ACN 000 317 251.

**Corporations Act** means the *Corporations Act 2001* (Cth) as amended, varied or replaced from time to time.

**Directors** mean the directors of the Company.

**Equity Securities** has the meaning given to that term in the Listing Rules.

**Explanatory Memorandum** means this explanatory memorandum accompanying the Notice of Meeting.

**FIRB** means the Foreign Investment Review Board.

**Hong Kong Listing Rules** means the Rules Governing the Listing of Securities on the HKSe.

**HKSe** means the Main Board of the Stock Exchange of Hong Kong Limited.

**Meeting** or **Extraordinary General Meeting** means the general meeting to be held on 30 June 2015.

**Notice** or **Notice of Meeting** means the notice of meeting giving notice to Shareholders of the Meeting and which accompanies this Explanatory Memorandum.

**Ordinary Resolution** means a resolution passed by more than 50% of the votes cast at a general meeting of shareholders by members entitled to vote on the resolution.

**Rocklands Copper Project** means the Company's copper project near Cloncurry, Queensland.

**Resolution** means a resolution proposed at the Meeting.

**Shareholder** means a holder of ordinary Shares in the Company.

**Shares** means ordinary fully paid shares in the issued capital of the Company.

**Special Resolution** means a resolution passed by more than 75% of the votes cast at a general meeting of shareholders by members entitled to vote on the resolution.

**Subscription Options** has the meaning given to that term under the heading "Background" in section 2 of this Explanatory Memorandum, the terms of which are set out in sections 2 and 5 of this Explanatory Memorandum.

**Tranche 1 Shares** has the meaning given to that term under the heading "Background" in section 2 of this Explanatory Memorandum.

**Tranche 2 Shares** has the meaning given to that term under the heading "Background" in section 2 of this Explanatory Memorandum.

## 7. Voting Intentions of the Chairman

The Chairman intends to vote in favour of all Resolutions. This is stated for any Shareholders that appoint the Chairman as their proxy.

**PROXY FORM – EGM 30 JUNE 2015**

I / We \_\_\_\_\_  
of \_\_\_\_\_  
being shareholder(s) of CuDeco (**Company**)

hereby appoint: \_\_\_\_\_  
of: \_\_\_\_\_  
or failing him/her: \_\_\_\_\_  
of: \_\_\_\_\_

or failing him/her the Chairman as my/our proxy to vote for me/us and on my/our behalf at the extraordinary general meeting of the Company to be held at QT Gold Coast, Gold Coast Highway (Corner Staghorn Avenue), Surfers Paradise, Queensland on Friday 30 June 2015 at 10.30am AEST and at any adjournment thereof in respect of all of my/our shares in the Company unless otherwise specified below.

**Use of Proxy**

**Direction on how to vote**

If you wish to direct the Proxy how to vote, please place a mark in the appropriate boxes below.  
Please note: If you mark the Abstain box for a resolution, 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.  
I/we direct my/our proxy to vote as indicated below:

	<i>For</i>	<i>Against</i>	<i>Abstain</i>
Resolution 1 – Ratification of Prior Share Issue to Gao Zhan Ying	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Ratification of Prior Share Issue to FSHL	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Approval of Share Issue to FSHL	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Approval of Option Issue to FSHL	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 – Adoption of the new constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 – Issuing Mandate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Chairman's Voting intention**

The Chair intends on voting in favour of all undirected proxies  
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.

**No Direction on how to vote - General**

If you do not direct your proxy on how to vote as your proxy in respect of the resolution/s, the Proxy may cast your vote as the Proxy thinks fit or may abstain from voting. By signing this appointment you acknowledge that, subject to the *Corporations Act 2001* (Cth), the Proxy may exercise your proxy even if he/she has an interest in the outcome of the resolution/s and even if votes cast by him/her other than as proxy holder will be disregarded because of that interest (subject to the section above in relation to voting on Remuneration Resolutions by the Chair of the meeting).

**Apportionment - Multiple Proxies**

If two proxies are appointed, the proportion of voting rights this proxy is authorised to exercise is ..... %. (An additional proxy form will be supplied by the Company on request)

**Apportionment - Multiple Shares**

If you wish to appoint the proxy to exercise voting power over only some of your shares, the number of shares in respect of which this proxy is to operate is ..... shares. (Note: proxy will be over all shares if left blank)

<p><b>Individual or Security holder 1</b></p> <div style="border: 1px solid black; height: 20px; width: 100%;"></div> <p>Sole Director and Sole Company Secretary (if appointed)</p>	<p><b>Security holder 2</b></p> <div style="border: 1px solid black; height: 20px; width: 100%;"></div> <p>Director</p>	<p><b>Security holder 3</b></p> <div style="border: 1px solid black; height: 20px; width: 100%;"></div> <p>Director/Company Secretary</p>
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### Signing Instructions

You must sign this form as follows in the spaces provided:

- Individual: where the holding is in one name, the holder must sign.
- Joint Holding: where the holding is in more than one name, each of the holders must sign.
- Power of Attorney: to sign under Power of Attorney, you must have already lodged the Power of Attorney document with the registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

If a representative of a corporate shareholder or proxy is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's share registry.

### Lodgment of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below no later than 10.30 am 28 June 2015 , being not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

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### Documents may be lodged:

- IN PERSON: Registered Office – Unit 34, Brickworks Annex,  
19 Brolga Avenue,  
Southport, Queensland 4215
- BY MAIL: Postal Address – P O Box 1044, Southport, Queensland 4215
- BY FAX: (61 7) 5503 0288
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