

# **FORTE CONSOLIDATED LIMITED**

ACN 148 168 825

## **NOTICE OF ANNUAL GENERAL MEETING**

**AND**

## **EXPLANATORY MEMORANDUM**

**For the Annual General Meeting to be held on Thursday, 12 November 2015 at 11.30 am (Perth time) at Suite 4, 213 Balcatta Road, Balcatta, Western Australia**

**This is an important document. Please read it carefully and in its entirety.  
If you do not understand it please consult with your professional advisers.**

**The Annual Report is available for viewing on [www.forteconsolidated.com.au](http://www.forteconsolidated.com.au)**

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**FORTE CONSOLIDATED LIMITED**

**ACN 148 168 825**

**NOTICE OF ANNUAL GENERAL MEETING**

Forte Consolidated Limited (**Company**) gives notice that the Annual General Meeting of Shareholders will be held at Suite 4, 213 Balcatta Road, Balcatta, Western Australia on Thursday, 12 November 2015 at 11.30am (Perth time) (**Annual General Meeting**).

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

Terms and abbreviations used in this Notice (including in the Explanatory Memorandum and the Proxy Appointment Form) are defined in Schedule 1 to this Notice (or elsewhere in the body of this Notice).

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**ITEMS OF BUSINESS**

**1. ACCOUNTS AND REPORTS**

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2015 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

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**2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT**

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

*"That, in accordance with section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2015."*

**Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.**

**Voting Prohibition Statement for Resolution 1**

A vote on this Resolution 1 must not be cast (in any capacity) by or on behalf of any of the following persons:

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

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (c) the voter is appointed as a proxy by writing that specifies how the proxy is to vote on this Resolution; or
- (d) the voter is the Chairperson of the Meeting and the appointment of the Chairperson as proxy:
  - (i) does not specify the way the proxy is to vote on this Resolution 1; and
  - (ii) expressly authorises the Chairperson to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company, or if the Company is part of a consolidated entity, for the entity.

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**3. RESOLUTION 2 – ELECTION OF DIRECTOR – MR JOSEPH RADICI**

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

*"That, for the purpose of Rule 3.3 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Joseph Radici, a Director who was appointed on 31 March 2015, retires, and being eligible, is elected as a Director."*

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**4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR JOHN TERPU**

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

*"That, for the purpose of Rule 3.6(a) of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr John Terpu, a Director, retires, and being eligible, is re-elected as a Director."*

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**5. RESOLUTION 4 – APPROVAL OF 10% PLACEMENT CAPACITY**

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

*"That, for the purpose of ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital of the Company (at the time of the issue), calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Memorandum."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity 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 Appointment 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 Appointment Form to vote as the proxy decides.

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**6. OTHER BUSINESS**

To consider any other business brought forward in accordance with the Constitution or the law.

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**By order of the Board**

**Bruno Firriolo**  
**Company Secretary**

**25 September 2015**

## EXPLANATORY MEMORANDUM

The Explanatory Memorandum has been prepared to provide members with information about the items of business to be considered at the Annual General Meeting.

The Explanatory Memorandum is important and should be read carefully, in its entirety, by all Shareholders. The Explanatory Memorandum is part of the Notice.

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### 1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2015 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at [www.forteconsolidated.com.au](http://www.forteconsolidated.com.au) in the "Investors" section.

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### 2. RESOLUTION 1: ADOPTION OF REMUNERATION REPORT

#### 2.1 Overview

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2015.

Shareholders can view the Company's 2015 annual financial report on the Company's website [www.forteconsolidated.com.au](http://www.forteconsolidated.com.au).

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

#### 2.2 Voting consequences

Under changes to the Corporations Act which came into effect on 1 July 2011, if at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report in two consecutive annual general meetings, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of directors of the Company (**Spill Resolution**) at the second annual general meeting.

If more than 50% of votes cast are in favour of the Spill Resolution, the Company must convene an extraordinary general meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the Directors of the Company who were in office when the Directors' report (as included in the Company's annual financial report for the financial year ended immediately before the second annual general meeting) was approved, other than the managing director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as Directors of the Company is approved will be the Directors of the Company.

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

## 2.3 Proxy Restrictions

Shareholders appointing a proxy for Resolution 1 should note the following:

Proxy	Directed	Undirected
Key Management Personnel <sup>1</sup>	Voted	Not voted <sup>3</sup>
Chairperson <sup>2</sup>	Voted	Voted at discretion of Proxy <sup>4</sup>
Other	Voted	Voted at discretion of Proxy

Notes:

<sup>1</sup> Refers to Key Management Personnel (other than the Chairperson) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member.

<sup>2</sup> Refers to the Chairperson (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report), or a Closely Related Party of such a member).

<sup>3</sup> Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

<sup>4</sup> The Proxy Appointment Form notes it is the Chairperson's intention to vote all undirected proxies in favour of all Resolutions.

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## 3. RESOLUTION 2: ELECTION OF DIRECTOR – MR JOSEPH RADICI

Pursuant to Rule 3.3 of the Constitution, the Directors may appoint a person to be a Director at any time except during a general meeting. Any director so appointed automatically retires at the next annual general meeting and is eligible for election at that general meeting.

Resolution 2 is an ordinary resolution and provides for the election of Mr Joseph Radici to the Board pursuant to the Constitution.

The Board appointed Mr Radici as a Director on 31 March 2015. Mr Radici retires in accordance with Rule 3.3 of the Constitution and ASX Listing Rule 14.4 and being eligible seeks election.

Mr Radici is a Certified Practising Accountant and Fellow of the Taxation Institute of Australia. Since 1995 Mr Radici has been on the board of a number of unlisted public companies as well as being a non-executive director of Conquest Mining Limited for a period of 4 years to May 2010. In addition to skills gained on serving on company boards, Mr Radici has a wide network of entrepreneurial associations and is a respected member of Perth's business community. Mr Radici currently holds no other public company directorships.

Mr Radici does not hold any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the Company and its security holders generally.

Background checks performed by the Company have not revealed any material adverse information about this director. The Board considers Mr Radici to be an independent director.

The Directors (apart from Mr Radici) recommend that Shareholders vote in favour of the election of Mr Radici.

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#### **4. RESOLUTION 3: RE-ELECTION OF DIRECTOR – MR JOHN TERPU**

Pursuant to Rule 3.6(a) of the Constitution, a Director must retire from office at the third annual general meeting after the Director was elected or last re-elected. In addition, ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third AGM following the director's appointment or 3 year, whichever is the longer.

Resolution 3 is an ordinary resolution and provides for the re-election of Mr John Terpu as a Director.

Mr John Terpu was appointed on 12 January 2011 and was last re-elected at the annual general meeting held in November 2012. Accordingly Mr Terpu retires in accordance with Rule 3.6(a) of the Constitution and being eligible seeks re-election.

Mr Terpu has over seventeen years of commercial and management expertise gained in a broad range of business and investment activities. He has been involved in the mining and exploration industry through the acquisition and investment in a number of strategic exploration and mining projects. Mr Terpu has a wide range of contacts in the exploration and mining investment community. Mr Terpu currently holds no other public company directorships.

The Board considers Mr Terpu is not an independent director.

The Directors (apart from Mr Terpu) recommend that Shareholders vote in favour of the election of Mr Terpu.

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#### **5. RESOLUTION 4 – APPROVAL OF 10% PLACEMENT CAPACITY**

##### **5.1 General**

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 4, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in Section 5.2 below).

The effect of Resolution 4 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under ASX Listing Rule 7.1.

Resolution 4 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 4 for it to be passed.

##### **5.2 ASX Listing Rule 7.1A**

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

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

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$3,581,563 based on the number of Shares on issue (179,078,187) as at the date of this Notice (25 September 2015) and the closing price of Shares (\$0.02) on the ASX on the trading day prior to the date of this Notice (24 September 2015).

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has one class of Equity Securities on issue, being the Shares (ASX Code: FRC).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

$$(A \times D) - E$$

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
  - (i) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
  - (ii) plus the number of partly paid shares that became fully paid in the previous 12 months;
  - (iii) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under ASX Listing Rules 7.1 and 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval; and
  - (iv) less the number of Shares cancelled in the previous 12 months.
- D** is 10%.
- E** is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

### 5.3 Technical information required by ASX Listing Rule 7.1A

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

#### (a) Minimum Price

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in Section 5.3(a)(i), the date on which the Equity Securities are issued.

#### (b) Date of Issue

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and



- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid),

**(10% Placement Capacity Period).**

**(c) Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Equity Securities under the issue.

If Resolution 4 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue	Dilution			
	Issue Price (per Share)	\$0.01 50% decrease in Issue Price	\$0.02 Issue Price	\$0.03 50% increase in Issue Price
<b>179,078,187 Current</b>	<b>10% Voting Dilution</b>	17,907,818 Shares	17,907,818 Shares	17,907,818 Shares
	<b>Funds raised</b>	\$179,078	\$358,156	\$537,234
<b>268,617,280 (50% increase)*</b>	<b>10% Voting Dilution</b>	26,861,728 Shares	26,861,728 Shares	26,861,728 Shares
	<b>Funds raised</b>	\$268,617	\$537,234	\$805,851
<b>358,156,374 (100% increase)*</b>	<b>10% Voting Dilution</b>	35,815,637 Shares	35,815,637 Shares	35,815,637 Shares
	<b>Funds raised</b>	\$358,156	\$716,312	\$1,074,469

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

**The table above uses the following assumptions:**

1. There are currently 179,078,187 Shares on issue as at the date of this Notice of Meeting.
2. The issue price set out above is the closing price of the Shares (\$0.02) on the ASX on the trading day prior to the date of this Notice (24 September 2015).
3. The Company issues the maximum possible number of Shares under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.

7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
8. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

**(d) Purpose of Issue under 10% Placement Capacity**

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration in which case the Company intends to use funds raised for the acquisition of new resources, assets and investments (including expenses associated with such an acquisition), continued exploration expenditure on the Company's Johnnycake Project (funds would then be used for the project, feasibility studies and ongoing project administration), and general working capital; or
- (ii) as non-cash consideration for the acquisition of new resources assets and investments, in such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

**(e) Allocation under the 10% Placement Capacity**

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s).

The allottees of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the allottees of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the allottees at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

As noted in section 5.3(d) above, the Company may issue Equity Securities under the 10% Placement Capacity as non-cash consideration for the acquisition of new resources assets and investments. In the event that the Company is successful in acquiring new resources assets or investments, it is likely that the allottees under the 10% Placement Capacity will be vendors of the new assets or investments.

(f) **Previous Approval under ASX Listing Rule 7.1A**

The Company's previous approval under ASX Listing Rule 7.1A was at the Annual General Meeting of shareholders held on 27 November 2014 (**Previous Approval**).

The Company has not issued any Equity Securities pursuant to the Previous Approval.

During the 12 month period preceding the date of the Meeting, being on and from 12 November 2014, the Company otherwise issued a total of 83,273,185 Shares which represents approximately 86.9% of the total diluted number of Equity Securities on issue in the Company on 12 November 2014, which was 95,805,002 Shares.

Further details of the issues of Equity Securities by the Company during the 12 month period preceding the date of the Meeting are set out in Schedule 2.

The Company has not made any issues of equity securities in the 12 months preceding the date of the Annual General Meeting.

(g) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it will give to ASX:

- (i) a list of the allottees of the Equity Securities and the number of Equity Securities allotted to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 3.10.5A for release to the market.

#### **5.4 Voting Exclusion**

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 4.

## SCHEDULE 1: TERMS AND ABBREVIATIONS

Definition	Meaning
<b>Annual General Meeting</b>	The annual general meeting of the Company notified to Shareholders by this Notice.
<b>ASX</b>	ASX Limited (ABN 98 008 624 691) or the financial market conducted by it (the Australian Securities Exchange), as the context requires.
<b>ASX Listing Rules</b>	The official listing rules of ASX, as from time to time amended or waived in their application to a party.
<b>Board</b>	The current board of Directors of the Company.
<b>Chairperson</b>	The chairperson of the Annual General Meeting appointed in accordance with the Constitution.
<b>Closely Related Party</b>	<p>Closely related party of a member of the Key Management Personnel means:</p> <ul style="list-style-type: none"> <li>• a spouse or child of the member; or</li> <li>• a child of the member's spouse; or</li> <li>• a dependant of the member or of the member's spouse; or</li> <li>• 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 dealings with the Company; or</li> <li>• a company that the member controls; or</li> <li>• a person prescribed by the <i>Corporations Regulations 2001</i> (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.</li> </ul>
<b>Company or Forte</b>	Forte Consolidated Limited (ACN 148 168 825).
<b>Constitution</b>	The constitution of the Company.
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth).
<b>Director</b>	A current director of the Company.
<b>Eligible Entity</b>	<p>An entity that, at the date of the relevant general meeting:</p> <p>(a) is not included in the A&amp;P/ASX 300 Index; and</p> <p>(b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.</p>
<b>Equity Securities</b>	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.
<b>Explanatory Memorandum</b>	The explanatory memorandum enclosed with and forming part of this Notice.
<b>Key Management Personnel</b>	Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.
<b>Notice</b>	This notice of annual meeting incorporating the Explanatory Memorandum and the Proxy Appointment Form
<b>Ordinary Securities</b>	Has the meaning set out in the ASX Listing Rules.
<b>Perth time</b>	Standard time as observed in Perth, Western Australia.
<b>Proxy Appointment Form</b>	The proxy appointment form enclosed with and forming part of this Notice.

Definition	Meaning
<b>Remuneration Report</b>	The remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2015.
<b>Resolutions</b>	The resolutions referred to in this Notice, and <b>Resolution</b> means any of the resolutions referred to in this Notice (as the context requires).
<b>Rule</b>	A rule of the Constitution.
<b>Share</b>	A fully paid ordinary share in the capital of the Company.
<b>Shareholder</b>	A holder of a Share.
<b>Variable A</b>	"A" as set out in the calculation in section 5.2 of this Notice.
<b>\$ or A\$</b>	A reference to "\$" or "A\$" is to Australian currency, unless otherwise indicated.
<b>10% Placement Capacity</b>	Has the meaning given in section 5.1 of this Notice.

**SCHEDULE 2:**  
**Issue of Equity Securities since 12 November 2014**

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) <sup>1</sup>	Form of consideration
6 March 2015	82,773,185	Shares <sup>2</sup>	Eligible shareholders accepting entitlements pursuant to a rights issue offer document dated 9 February 2015	\$0.02 (discount - ~26%)	Cash Amount raised = \$1,655,463 Amount spent = \$706,423 Use of funds \$418,482 on furthering the development of the Company's Johnnycake Project \$267,815 on working capital \$20,126 on expenses of the offer Amount remaining = \$949,040 Proposed use of remaining funds <sup>3</sup> \$731,518 on furthering the development of the Company's Johnnycake Project \$217,522 on working capital
1 May 2015	500,000	Shares <sup>2</sup>	Applicants for shortfall to a rights issue made pursuant to an offer document dated 9 February 2015	\$0.02 (discount - 20%)	Cash Amount raised = \$10,000 Amount spent = \$Nil Use of funds Not applicable Amount remaining = \$10,000 Proposed use of remaining funds <sup>3</sup> \$10,000 on working capital

**Notes:**

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: FRC (terms are set out in the Constitution).
3. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.
4. In respect of quoted Equity Securities the value is based on the closing price of the Shares (\$0.02) on the ASX on the trading day prior to the date of this Notice (24 September 2015).

## NOTES

These Notes form part of the Notice of annual general meeting.

### Right to vote

The Directors have determined that pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered holders of Shares at 4.00 pm (Perth time) on 10 November 2015.

### Voting in person

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

### Appointment of proxies

Each member entitled to attend and cast a vote at an Annual General Meeting may appoint a proxy to attend and vote on their behalf at the Annual General Meeting.

A proxy need not be a member of the Company and can be an individual or a body corporate.

A body corporate appointed as a member's proxy may appoint a representative to exercise any of the powers the body may exercise as a proxy at the Annual General 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.

A member entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

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

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

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and
- 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 section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

New sections 250BB and 250BC of the Corporations Act took effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this Annual General Meeting. Broadly, the changes mean that:

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

More detail on these changes is provided 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**:

- (a) 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

- (b) 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
- (c) if the proxy is the Chairperson 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
- (d) if the proxy is not the Chairperson – 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-Chairperson proxy to Chairperson in certain circumstances***

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

- (a) 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
- (b) the appointed proxy is not the Chairperson of the meeting; and
- (c) at the meeting, a poll is duly demanded on the resolution; and
- (d) either of the following applies:
  - (i) the proxy is not recorded as attending the meeting;
  - (ii) the proxy does not vote on the resolution,

the Chairperson 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.

### **Lodgement of proxy documents**

For an appointment of a proxy for the meeting to be effective:

- the proxy's appointment; and
- if the appointment is signed by the appointor's attorney – the authority under which the appointment was signed (eg a power of attorney) or a certified copy of it,

must be received by the Company at least 48 hours before the meeting.

The following addresses are specified for the purposes of receipt of proxies:

<b>By mail:</b> PO Box 572 BALCATTA WA 6914  or  <b>By hand:</b> Suite 4, 213 Balcatta Road BALCATTA WA 6021	<b>By fax:</b>  +61 8 9240 4054	<b>By email:</b>  admin@forteconsolidated.com.au
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### **Bodies corporate**

A body corporate may appoint an individual as its representative to exercise any of the powers the body may exercise at meetings of a company's members. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a meeting or in voting on a resolution.

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.



## INSTRUCTIONS FOR COMPLETION OF PROXY APPOINTMENT FORM

### Your name and address

This is your name and address as it appears on the register of members of the Company. If this information is incorrect, please make the correction on the Proxy Appointment Form. Members sponsored by a broker should advise their broker of any changes. **Please note that you cannot change ownership of your shares using this Proxy Appointment Form.**

### Appointment of proxy

If you are entitled to vote at the meeting you have a right to appoint a proxy and should use this Proxy Appointment Form. The proxy need not be a member of the Company and can be an individual or a body corporate.

If you wish to appoint someone other than the Chairperson of the meeting as your proxy, please write the name of that person in the appropriate box. Members cannot appoint themselves. If you leave the box blank, or your named proxy does not attend the meeting, the Chairperson of the meeting will be your proxy and vote on your behalf.

Your proxy's authority to speak and vote for you at the meeting is suspended if you are present at the meeting.

### Voting directions to your proxy

You may direct your proxy how to vote by marking **X** in one of the three boxes opposite each item of business. All your votes will be cast in accordance with your direction, unless you indicate only a portion of votes are to be cast on any item by inserting the percentage of your voting rights applicable to the proxy appointed by this Proxy Appointment Form in the appropriate box. If you do not mark any of the boxes relating to the items of business, your proxy will vote as he or she chooses. If you mark more than one box relating to the same item of business any vote by your proxy on that item will be invalid.

### Appointing a second proxy

If you are entitled to cast two or more votes you may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If you wish to appoint a second proxy, an additional Proxy Appointment Form may be obtained by telephoning the Company on +618 9240 4111 or you may copy this form. Both Proxy Appointment Forms should be lodged together.

If you appoint two proxies and the appointment does not specify the proportion or number of your votes each proxy may exercise, section 249X of the *Corporations Act 2001* (Cth) will take effect so that each proxy may exercise half of the votes (ignoring fractions).

If you appoint two proxies, neither proxy will have a right to vote on a show of hands.

If you appoint another member as your proxy, that person will have only one vote on a show of hands and does not have to vote on a show of hands in accordance with any direction by you.

### Signing instructions

This Proxy Appointment Form must be signed and dated by the member or the member's attorney. Any joint member may sign.

If this form is signed by an attorney and you have not previously lodged the power of attorney with the Company for notation, please attach a certified copy of the power of attorney to this form when you return it.

If the member is a company that has a sole director or a sole director who is also the sole company secretary, this form must be signed by that person. Otherwise, this form must be signed by two directors or one director and a company secretary. Please indicate the office held by signing in the appropriate place.

### Lodgement of Proxy Appointment Form

Proxy Appointment Forms and proxy appointment authorities, for example, the original or a certified copy of the power of attorney (if the Proxy Appointment Form is signed by an attorney) must be received:

- by fax, on fax number +61 8 9240 4054;
- by post at PO Box 572, Balcatta, Western Australia 6914;
- by hand, at Suite 4, 213 Balcatta Road, Balcatta, Western Australia 6021; or
- by email, to [admin@forteconsolidated.com.au](mailto:admin@forteconsolidated.com.au).

**not later than 11.30am (Perth time) on 10 November 2015.**

Documents received after that time will not be valid for the scheduled meeting.

### **Privacy**

Chapter 2C of the Corporations Act 2001 (Cth) requires information about you (including your name, address and details of the shares you hold) to be included in the Company's public register of members. This information must continue to be included in the public register if you cease to hold shares. These statutory obligations are not altered by the Privacy Amendment (Private Sector) Act 2000 (Cth). Information is collected to administer your shareholding which may not be possible if some or all of the information is not collected.

# PROXY APPOINTMENT FORM

FORTE CONSOLIDATED LIMITED

ACN 148 168 825

## Name and address of member or joint members

### Appointment of proxy

I/We, being a member/s of Forte Consolidated Limited  
and entitled to attend and vote, hereby appoint :

\_\_\_\_\_  
Full name of individual or body corporate proxy (please print)

or if that person fails to attend or, if no person is named, the Chairperson of the meeting to attend, act generally and vote as directed below, or, if no directions are given, as the proxy or the Chairperson sees fit, at the Annual General Meeting of the Company to be held on Thursday, 12 November 2015 at 11.30 am (Perth time), and at any adjournment of that meeting.

### AUTHORITY FOR CHAIRPERSON TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chairperson as my/our proxy (or where the Chairperson becomes my/our proxy by default), I/we expressly authorise the Chairperson to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chairperson.

### Appointing a second proxy

If appointing a second proxy, state the percentage of your voting rights applicable to the proxy appointed by this form.

\_\_\_\_\_  
%

The Chairperson of the meeting intends to vote undirected proxies in favour of each of Resolutions 1 to 3. In exceptional circumstances, the Chairperson may change his/her voting intention on any Resolution. In the event this occurs, an ASX announcement will be made immediately disclosing the reasons for the change.

*(Form continues overleaf)*

# PROXY APPOINTMENT FORM

FORTE CONSOLIDATED LIMITED

**Voting directions to your proxy – please mark ✕ to indicate your directions**

## Business

Item	For	Against	Abstain*
1. Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Election of director – Mr Joseph Radici	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Re-election of director – Mr John Terpu	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

## Signatures of individual member, joint individual member, attorney or company member

Member, Attorney or Joint Member

Sole director and sole company  
secretary

Director

Director/Company secretary (delete  
one)

Contact name

Contact daytime telephone

Date