

NOTICE OF ANNUAL
GENERAL MEETING 2015

xrf
scientific



Shareholders are advised that the 2015 Annual General Meeting of XRF Scientific Limited will be held on:

Friday, 13 November 2015 at Parmelia Hilton Hotel, 14 Mill Street, Perth, WA 6000, commencing at **11:00 a.m. (WST)**.

The Annual General Meeting (**AGM**) of XRF Scientific Limited (**Company**) will be held on Friday, 13 November 2015 at Parmelia Hilton Hotel, 14 Mill Street, Perth WA 6000, commencing at 11:00 a.m. (WST).

The Explanatory Statement that accompanies and forms part of this Notice describes the matters to be considered at this meeting.

AGENDA

FINANCIAL STATEMENTS AND REPORTS (NO RESOLUTION REQUIRED)

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, Directors' report, remuneration report and the auditor's report.

RESOLUTION 1 – REMUNERATION REPORT

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

"That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report, which forms part of the Directors' Report of the Company for the financial year ended 30 June 2015."

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

Voting Prohibition Statement

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either 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:

- a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- b) the voter is the Chair and the appointment of the Chair as proxy:
 - i. does not specify the way the proxy is to vote on this Resolution; and
 - ii. expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR DAVID KIGGINS

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

"That Mr David Kiggins, being a Director of the Company who retires by rotation in accordance with clause 13.2 of the Constitution and rule 14.4 of the ASX Listing Rules, be re-elected as a Director of the Company."

RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR FRED GRIMWADE

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

"That Mr Fred Grimwade, being a Director of the Company who retires by rotation in accordance with clause 13.2 of the Constitution and rule 14.4 of the ASX Listing Rules, be re-elected as a Director of the Company."

BY ORDER OF THE BOARD

Andrew Watson
Company Secretary
6 October 2015

NOTES:

1. A member entitled to attend and vote at the Meeting (see note 7 below for eligibility criteria) is entitled to appoint not more than two proxies to attend and vote on behalf of the member. A proxy need not be a member of the Company, but must be a natural person (not a corporation). A proxy may also be appointed by reference to an office held by the proxy (e.g. "the Company Secretary").
2. Where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion of the member's voting rights. If no such proportion is specified, each proxy may exercise half of the member's votes.
3. A proxy form is enclosed. A separate form must be used for each proxy. An additional form can be obtained by writing to the Company at 98 Guthrie Street, Osborne Park, WA 6017 or by fax to (08) 9244 9611. Alternatively, you may photocopy the enclosed form.
4. A duly completed proxy form and (where applicable) any power of attorney or a certified copy of the power of attorney must be received by the Company at its registered office or the address or fax number set out below, **not less than 48 hours before** the time for commencement of the meeting. Please send by post to 98 Guthrie Street, Osborne Park, WA 6017 or by fax to (08) 9244 9611.
5. To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

Sections 250BB and 250BC of the Corporations Act came into 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:

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

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

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

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

Transfer of non-chair proxy to chair in certain circumstances

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

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

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

6. The Company will accept proxy appointments by a corporate member executed in accordance with either section 127(1) (not under seal) or section 127(2) (under seal) of the Corporations Act 2001.
7. The Board have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that those persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00 pm WST on Wednesday, 11 November 2015.
8. The Explanatory Statement attached to this Notice forms part of this Notice.

EXPLANATORY STATEMENT

This explanatory statement forms part of the notice of Annual General Meeting.

This Explanatory Statement has been prepared to provide shareholders with material information to enable them to make an informed decision on the business to be conducted at the Annual General Meeting of XRF Scientific Limited (**Company**).

The Directors recommend shareholders read this Explanatory Statement in full before making any decision in relation to the resolutions.

Financial Statements and Reports

In accordance with the Constitution, the business of the Annual General 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, Directors' report, 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.xrfscientific.com.

Resolution 1 – Remuneration Report

1.1 General

During this item, there will be a reasonable opportunity for shareholders at the meeting to comment on, and ask questions about, the Remuneration Report which is incorporated in the Directors' Report in the Company's 2015 annual financial report.

In accordance with the Corporations Act 2001, the vote on the proposed resolution is advisory only and will not bind the Directors or the Company; however the Board will take the outcome of the vote into consideration when reviewing remuneration practices and policies.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company.

Under changes to the Corporations Act which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder 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 previous financial year) 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.

1.2 Previous voting results

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.

1.3 Proxy Restrictions

Shareholders appointing a proxy for this Resolution should note the following restrictions placed on certain proxies:

Proxy being appointed	Directed Votes	Undirected Votes
Key Management Personnel (other than the Chair) ¹	Can vote directed votes	Cannot vote undirected votes ³
Chair ²	Can vote directed votes	Can vote at discretion of Proxy ⁴
Other third party	Can vote directed votes	Can vote at discretion of Proxy

Notes:

- 1) Refers to Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member.
- 2) Refers to the Chair (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).
- 3) 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.
- 4) The Proxy Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions.

Resolution 2 – Re-election of Director – Mr David Kiggins

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.

Clause 13.2 of the Constitution requires that at the Company's Annual General Meeting in every year, one third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded upwards in case of doubt), shall retire from office, provided always that no Director (except the Managing Director) shall hold office for a period in excess of 3 years, or until the third Annual General Meeting following his or her appointment, whichever is longer, without submitting himself or herself for re-election.

The Directors to retire at an Annual General Meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

A retiring Director is eligible for re-election.

The Company currently has 4 Directors who are subject to rotation and accordingly 2 must retire.

Mr Kiggins, the longest in office since his last election, retires by rotation in accordance with the Company's Constitution and, being eligible, offers himself for re-election. Mr Kiggins was appointed a Director in 2012 and has continuously served as a Director since his appointment.

Mr Kiggins' Bio

Mr Kiggins is a Chartered Accountant and Chartered Secretary and currently Chief Financial Officer of privately owned Heliwest Group. He has previously held the positions of Finance Director, Chief Financial Officer and Company Secretary at Global Construction Services Limited and was General Manager – Business Development and Company Secretary for Automotive Holdings Group Limited where he was responsible for listing the group in 2005. He spent 10 years at Arthur Andersen in business consulting and audit, working in a range of industries across Asia and the Middle East. He is experienced in finance, mergers & acquisitions, corporate governance and consulting and has worked in mining and resources, automotive retail, construction services, telecommunications and general industrial companies.

Other Directorships

Private companies only.

Directors' Recommendation

The Board (other than Mr Kiggins) recommends shareholders vote in favour of the Resolution. The Board considers Mr Kiggins to be an independent Director.

Resolution 3 – Re-election of Director – Mr Fred Grimwade

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.

Clause 13.2 of the Constitution requires that at the Company's Annual General Meeting in every year, one third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded upwards in case of doubt), shall retire from office, provided always that no Director (except the Managing Director) shall hold office for a period in excess of 3 years, or until the third Annual General Meeting following his or her appointment, whichever is longer, without submitting himself or herself for re-election.

The Directors to retire at an Annual General Meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

A retiring Director is eligible for re-election.

The Company currently has 4 Directors who are subject to rotation and accordingly 2 must retire.

Mr Grimwade, the longest in office since his last election, retires by rotation in accordance with the Company's Constitution and, being eligible, offers himself for re-election. Mr Grimwade was appointed a Director in 2012 and has continuously served as a Director since his appointment.

Mr Grimwade's Bio

Mr Grimwade is a Fellow of the Governance Institute of Australia, Australian Institute of Company Directors and is a Life Member of the Financial Services Institute of Australasia. He has held general management positions at Colonial Agricultural Company, the Colonial Group, Western Mining Corporation and Goldman, Sachs & Co. He has a broad range of experience in strategic management, mining, finance, corporate governance and law. He is currently a Principal and Executive Director of Fawcner Capital, a specialist corporate advisory and investment firm.

Other Directorships

Chairman of CPT Global Limited, Acting Chairman of Troy Resources Limited, Non-Executive Director of Select Harvests Limited, Australian United Investment Company Limited, NewSat Limited and other private companies.

Directors' Recommendation

The Board (other than Mr Grimwade) recommends shareholders vote in favour of the Resolution. The Board considers Mr Grimwade to be an independent Director.

ENQUIRIES

Shareholders are requested to contact the Company Secretary on (+ 61 8) 9244 0600 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

\$	Australian dollars
ASX	ASX Limited ACN 008 624 691 or, where the context permits, the financial market operated by it
ASX Listing Rules	the Listing Rules of ASX
Board	the current board of directors of the Company
Business Day	Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day
Chair	the chairman of the Meeting
Closely Related Party	<p>A closely related party of a member of Key Management Personnel means:</p> <ul style="list-style-type: none"> • a spouse or child of the member; • a child of the member's spouse; • a dependent of the member or the member's spouse; • anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity; • a company the member controls; or • a person prescribed by the Corporations Regulations 2001 (Cth).
Company	XRF Scientific Limited (ACN 107 908 314)
Constitution	the constitution of the Company
Corporations Act	the Corporations Act 2001 (Cth)
Director	a current director of the Company
Explanatory Statement	the explanatory statement accompanying the Notice
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.
Meeting or Annual General Meeting	the Annual General Meeting convened by the Notice
Notice	this notice of meeting including the Explanatory Statement and the Proxy Form
Proxy Form	the proxy form accompanying the Notice
Remuneration Report	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.
Resolutions	the resolutions set out in the Notice, or any one of them, as the context requires
Share	a fully paid ordinary share in the capital of the Company
Shareholder	a holder of a Share
WST	Western Standard Time as observed in Perth, Western Australia

PROXY FORM

(Name of member/s)

Of

(Address of member/s)

Appointment of Proxy

I/We being a member/s of XRF Scientific Limited and entitled to attend and vote at the Annual General Meeting hereby appoint

the Chairman of the Meeting
(mark with an 'X')

Write here the name of the person you are appointing if this person is someone other than the Chairman of the Meeting

or, failing the person named, or if no person is named, the Chairman of the Meeting, or the Chairman's nominee, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given and subject to the relevant laws, as the proxy sees fit) at the Annual General Meeting of XRF Scientific Limited to be held on Friday 13 November 2015, at Parmelia Hilton Hotel, 14 Mill Street, Perth, WA 6000, commencing at 11:00 a.m. and at any adjournment of that meeting.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

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

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

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

Voting directions to your proxy – please mark ☒ to indicate your directions

	FOR	AGAINST	ABSTAIN
1. Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-election of Director – Mr David Kiggins	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Re-election of Director – Mr Fred Grimwade	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

If two proxies are being appointed, the proportion of voting rights this proxy represents is _____%.

Please sign here

THIS SECTION MUST BE SIGNED IN ACCORDANCE WITH THE INSTRUCTIONS OVERLEAF TO ENABLE YOUR DIRECTIONS TO BE IMPLEMENTED.

Individual or Securityholder 1

Individual/ Sole Director and
Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/ Company Secretary

Contact Name

Contact Daytime Telephone No.

Date

XRF SCIENTIFIC LIMITED

A C N 1 0 7 9 0 8 3 1 4

HOW TO COMPLETE THE PROXY FORM

1. Appointment of a Proxy

A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the Company.

2. Votes on Items of Business

You may direct your proxy how to vote by placing a mark in one of the three boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

3. Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. However, where both proxies attend the Meeting, voting may only be exercised on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the Company or you may copy this form.

To appoint a second proxy you must:

- (a) indicate that you wish to appoint a second proxy on the form overleaf;
- (b) on each of the first Proxy Form and the second Proxy Form, state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (c) return both forms together in the same envelope.

4. 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, all of the shareholders should sign.
- Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the Company. 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 the corporation 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.

5. Attending the Meeting

Completion of a Proxy Form will not prevent individual members from attending the Annual General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the Annual General meeting.

6. Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address given below no later than 48 hours before the commencement of the meeting at 11:00 a.m. on Friday, 13 November 2015. **Any Proxy Form received after that time will not be valid for the scheduled meeting.**

Documents may be lodged by posting, delivery or facsimile to:

XRF Scientific Limited
98 Guthrie Street
Osborne Park WA 6017
Facsimile: (08) 9244 9611