#### CI RESOURCES LIMITED

ACN 006 788 754

#### NOTICE OF ANNUAL GENERAL MEETING

#### DATE AND TIME OF MEETING

Thursday, 26 November 2015 10.00am (MYT)

#### PLACE OF MEETING

Iris & Hibiscus Room, Level 2M One World Hotel First Avenue, Bandar Utama City Centre 47800 Petaling Jaya, Selangor Malaysia

This Notice should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

The Company's 2015 Annual Report can be accessed on the Company's website at <a href="https://www.ciresources.com.au">www.ciresources.com.au</a> or alternatively by requesting a hard copy from the Company Secretary.

Should you wish to discuss any matter in this Notice of Meeting please do not hesitate to contact the Company Secretary by telephone on +61 8 9489 4444.

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TIME AND PLACE OF MEETING AND HOW TO VOTE	

#### **VENUE**

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 10.00am (MYT) on 26 November 2015 at:

Iris & Hibiscus Room, Level 2M One World Hotel First Avenue, Bandar Utama City Centre 47800 Petaling Jaya, Selangor Malaysia

#### **VOTING IN PERSON**

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

#### **VOTING BY PROXY**

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

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

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

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

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

Further details on these changes are set out below.

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

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

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

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

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

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

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

#### **CORPORATE SHAREHOLDERS**

Corporate Shareholders who wish to appoint a representative to attend the Meeting on their behalf must provide that person with a properly executed letter or other document confirming that they are authorised to act as the corporate Shareholder's representative. The authorisation may be effective either for this Meeting only or for all meetings of CI Resources Limited. Shareholders can request for the "Appointment of Corporate Representation" form from the Company Secretary.

#### NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of the Company will be held at Iris & Hibiscus Room, Level 2M, One World Hotel, First Avenue, Bandar Utama City Centre, 47800 Petaling Jaya, Selangor, Malaysia on Thursday, 26 November 2015 at 10.00am (MYT) (**Meeting**).

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders of the Company at 7.00pm (Sydney time) on 24 November 2015.

Terms and abbreviations used in this Notice of Meeting are defined in the Glossary.

#### **AGENDA**

#### **ORDINARY BUSINESS**

#### **Financial Reports**

To receive and consider the annual financial report, directors' report, declaration of the directors, Remuneration Report and auditor's report for the Company and its controlled entities for the financial year ended 30 June 2015.

Note: There is no requirement for Shareholders to approve these reports.

#### 1. 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, 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 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:**

A vote on this Resolution 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 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.

#### 2. Resolution 2 - Re-election of Director - Mr Tee Lip Sin

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

"That, for the purposes of clause 13.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Tee Lip Sin, a Director, retires by rotation and, being eligible, is re-elected as a Director."

## 3. Resolution 3 - Re-election of Director – Dato' Kamaruddin bin Mohammed

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

"That, for the purposes of clause 13.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Dato' Kamaruddin bin Mohammed, a Director, retires by rotation and, being eligible, is re-elected as a Director."

#### 4. Resolution 4 – Election of a Director – Mr Lai Ah Hong

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

"That, for the purposes of clause 13.4 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Lai Ah Hong, having been appointed a Director of the Company since the last annual general meeting, retires, and being eligible, is elected as a Director of the Company."

#### 5. Resolution 5 – Election of a Director – Mr Clive Morris Brown

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

"That, for the purposes of clause 13.4 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Clive Morris Brown, having been appointed a Director of the Company since the last annual general meeting, retires, and being eligible, is elected as a Director of the Company."

# 6. Resolution 6 – Approval of Motion of which notice given approving related party transaction for the acquisition of land at Wesport Port Klang land to comply with Malaysian Companies Act.

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

"That for the purposes of Section 132E of the Companies Act 1965 (Malaysia) approval is given for the acquisition of leasehold industrial land by Phosphate Resources Malaysia Sdn Bhd, a wholly owned subsidiary of Phosphate Resources Ltd which in turn is a wholly owned subsidiary of the Company, from Mutiari Suci Sdn Bhd which is substantially owned by a substantial shareholder of the Company and thereby an associated party under 122A of the Companies Act 1965 (Malaysia), for the sum of RM 11,390,000."

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a party to the transaction and any associate of that party (or those parties).

However, the Company need not disregard a vote if 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, if 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.

#### By Order of the Board



Elizabeth Lee Company Secretary 15 October 2015

#### CI RESOURCES LIMITED

ACN 006 788 754

#### **EXPLANATORY STATEMENT**

#### Introduction

This Explanatory Statement has been prepared for the information of Shareholders in connection with the business to be conducted at the Annual General Meeting of the Company to be held at Iris & Hibiscus Room, Level 2M, One World Hotel, First Avenue, Bandar Utama City Centre, 47800 Petaling Jaya, Selangor, Malaysia on Thursday, 26 November 2015 at 10.00am (MYT) (**Meeting**).

The purpose of this Explanatory Statement to provide information, which the Board believes is material to Shareholders in relation to the Resolutions. The Explanatory Statement explains the Resolutions and identifies the Board's reasons for putting them to Shareholders.

#### **Financial Reports**

In accordance with the Constitution, the annual financial report, directors' report, declaration of the directors, Remuneration Report and auditor's report for CI Resources Limited for the year ended 30 June 2015 will be considered by the Meeting.

There is no requirement for Shareholders to approve these reports. However, the Chairman of the meeting will allow a reasonable opportunity for Shareholders to ask questions about, or make comments on, the management of CI Resources Limited. Shareholders will be given a reasonable opportunity to ask the auditor questions about the conduct of the audit and the content of 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 <a href="http://www.ciresources.com.au">http://www.ciresources.com.au</a>

#### **Resolution 1 - Adoption of Remuneration Report**

#### General

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 of the company 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 a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

#### Voting consequences

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 the 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 most recent 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 is approved will be the Directors of the Company.

#### 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.

#### **Proxy voting restrictions**

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

Proxy	Directions given	No directors given
Key Management Personnel <sup>1</sup>	Vote as directed	Unable to vote <sup>3</sup>
Chair <sup>2</sup>	Vote as directed	Able to vote at discretion of Proxy <sup>4</sup>
Other	Vote as directed	Able to 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.

#### **Definitions**

**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.

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

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

#### Resolutions 2 and 3 - Re-election of Directors

ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without reelection) past the third annual general meeting following the director's appointment or 3 years, whichever is the longer.

Clause 13.2 of the Constitution provides that:

- (a) 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 a 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 the longer, without submitting himself or herself for reelection;
- (b) 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; and
- (c) a Director who retires by rotation under clause 13.2 of the Constitution is eligible for re-election.

In determining the number of Directors to retire, no account is to be taken of:

- (a) a Director who only holds office until the next annual general meeting pursuant to clause 13.4 of the Constitution; and/or
- (b) a Managing Director,

each of whom are exempt from retirement by rotation. However, if more than one Managing Director has been appointed by the Directors, only one of them (nominated by the Directors) is entitled to be excluded from any determination of the number of Directors to retire and/or retirement by rotation.

The Company currently has 7 Directors and accordingly 2 must retire.

Mr Tee Lip Sin and Dato' Kamaruddin bin Mohammed, the Directors longest in office since their last election, each retire by rotation and seek re-election. Mr Tee Lip Sin was first appointed as a Director on 21 June 2007 and Dato' Kamaruddin bin Mohammed was first appointed as a Director on 17 January 2013.

A biography of both Mr Tee Lip Sin and Dato' Kamaruddin bin Mohammed is set out in the Company's annual financial report for the year ended 30 June 2015.

The Board has considered Mr Tee Lip Sin's independence and considers that he is not an independent Director.

The Board has considered Dato' Kamaruddin bin Mohammed's independence and considers that he is an independent Director.

The Board supports the re-election of Mr Tee Lip Sin pursuant to Resolution 2 and the re-election of Dato' Kamaruddin bin Mohammed pursuant to Resolution 3.

#### Resolution 4 and 5 – Election of Directors

#### General

ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 year, whichever is the longer. However, a director appointed to fill a casual vacancy or as an addition to the board must not hold office (without re-election) past the next annual general meeting of the entity.

Pursuant to clause 13.4 of the Constitution, the Directors may at any time appoint a person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors does not at any time exceed the maximum number set under clause 13.1 of the Constitution (currently 9).

Any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

On 9 March 2015, the Directors appointed Mr Lai Ah Hong and Mr Clive Morris Brown as Directors of the Company. Both Mr Lai and Mr Brown will retire in accordance with clause 13.4 of the Constitution and ASX Listing Rule 14.4 and being eligible, seek reelection.

If these Resolutions are not approved, Mr Lai's and Mr Brown's appointments will cease at the end of the Annual General Meeting.

A brief biography of Mr Lai Ah Hong and Mr Clive Morris Brown, including details of other material directorship held is set out in the Company's annual financial report for the year ended 30 June 2015. The Company has undertaken appropriate checks before recommending the election of each of Mr Lai Ah Hong and Mr Clive Morris Brown as Directors of the Company and noted no material adverse information as a result of these checks. Mr Lai Ah Hong and Mr Clive Morris Brown have each acknowledged to the Company that he has sufficient time to fulfil his responsibilities as a Director.

The Board has considered Mr Lai Ah Hong's independence and considers that he is not an independent Director.

The Board has considered Mr Clive Morris Brown's independence and considers that he is an independent Director.

The Board supports the confirmation of the appointments of Mr Lai Ah Hong and Mr Clive Morris Brown as Directors of the Company.

## Resolution 6 – Approval of Motion of which notice given approving related party transaction for the acquisition of land at Westport Port Klang to comply with Malaysian Companies Act.

#### General

On the 27 August 2015 the Board of Directors approved the acquisition of land at Westport Port Klang being HSD 67515 Lot No.PT 64235 comprising 196,365.12 ft<sup>2</sup> (4.51 acres) leasehold Industrial land, under 99 years lease at RM 18,790 p.a. until 24<sup>th</sup> February 2097 (**Land**). The acquisition will be made by Phosphate Resources Malaysia Sdn Bhd, a wholly owned subsidiary of Phosphate Resources Ltd which in turn is a wholly owned subsidiary of the Company.

The Land is held by Mutiari Suci Sdn Bhd which is substantially owned by Prosper Trading Sdn Bhd a substantial shareholder of the Company and is thereby an associated party under the Malaysian Companies Act.

It is proposed to build two 50,000 ft<sup>2</sup> warehouse units on the Land for strategic stockpiles of Christmas Island rock, alternate sourced rock and the blending and mixing of other fertiliser applications.

The proposed acquisition price of RM11,390,000 (A\$3,694,453, based on the exchange rate of \$A1:RM3.083. published by the Reserve Bank of Australia on 7 October 2015) was determined by an independent valuation carried out on behalf of Phosphate Resources Malaysia Sdn Bhd by GKV International Property Consultants (copy attached).

#### **ASX Listing Rule 10.1**

ASX Listing Rule 10 deals with transactions between an entity (or any of its subsidiaries) and persons in a position to influence the entity. ASX Listing Rule 10.1 provides that an entity must ensure that neither it, nor any of its child entities, acquires a substantial asset from, or disposes of a substantial asset to, amongst other persons, a substantial holder or one of its associates, without the prior approval of holders of the entity's ordinary shareholders.

For the purposes of ASX Listing Rule 10.1, an asset is substantial if its value, or the value of the consideration to be paid for the asset is, or in ASX's opinion is, 5% or more of the equity interests of the listed entity as set out in the latest accounts given to ASX under the ASX Listing Rules.

The Company's annual financial report for the period ended 30 June 2015 (as lodged with ASX on 28 August 2015) shows that its equity interests were approximately \$154,884,000, and 5% of equity interests is approximately \$7,744,200.

The value of the Land which is to be acquired is less than 5% of the equity interest of the Company. Accordingly, the Directors (other than Mr Tee Lip Sin and Mr Tee Lip Jen who have material personal interests in the acquisition of the Land, by virtue of being directors of Prosper Trading Sdn Bhd) consider that Shareholder approval pursuant to ASX Listing Rule 10.1 is not required in respect of the acquisition of the Land.

#### Chapter 2E of the Corporations Act (Australia)

The payment of the acquisition price in consideration for the acquisition of the Land from Mutiari Suci Sdn Bhd constitutes the giving of a financial benefit and Mutiari Suci Sdn Bhd is a related party of the Company by virtue of being controlled by Prosper

Trading Sdn Bhd, of which Mr Tee Lip Sin and Mr Tee Lip Jen who are Directors of the Company are directors of.

The Directors (other than Mr Tee Lip Sin and Mr Tee Lip Jen who have material personal interests in the acquisition of the Land, by virtue of being directors of Prosper Trading Sdn Bhd) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the acquisition of the Land because the acquisition would be reasonable in the circumstances if the Company and the related party were dealing at arm's length. In view of the scale of the acquisition and the independent valuation, the non-associated Directors of the Company are satisfied that it falls within this exception and have endorsed the transaction in accordance with Australian requirements.

#### Section 132E of the Companies Act 1965 (Malaysia)

Legal advice provided by the Company's Malaysian Solicitors, Rahmat Lim & Partners, confirms that due to the value of this acquisition from an associated party being more than RM250,000, approval by the non–associated Shareholders of the Company as the ultimate holding company, is required, under Section132E of the Companies Act 1965 (Malaysia), to comply with Malaysian law.

Accordingly, the non-associated Directors of the Company recommend the approval of the transaction by the non-associated Shareholders of the Company.

#### Glossary

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

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

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

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

Chair means the chair of the Meeting.

Company means CI Resources Limited (ACN 006 788 754).

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

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

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

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

**MYT** means Malaysian Time as observed in Kuala Lumpur, Malaysia.

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

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

**Remuneration Report** means the remuneration report which forms part of the directors' report of the CI Resources Limited annual financial report for the financial year ended 30 June 2015.

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

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

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

#### PROXY FORM

#### **ANNUAL GENERAL MEETING**

#### Lodge your vote to:

The Company Secretary CI Resources Limited

 By delivery:
 By post:
 By facsimile:

 105 Railway Road
 PO Box 1533
 +618 9381 4963

 Subiaco WA 6008
 Subiaco WA 6904

#### How to Vote on Items of Business

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

#### **Appointment of Proxy**

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

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

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

A proxy need not be a securityholder of the Company.

#### **Signing Instructions**

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

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

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

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

Please mark to indicate your directions.



#### Appoint a Proxy to /Vote on Your Behalf

I/We 1	
of	
being a Shareholder/Shareholders of the Company and entitled to	
votes in the Company, hereby appoint <sup>2</sup>	

<sup>\*</sup> For your vote to be effective it must be received by 9.00am (Malaysian Time) on Tuesday, 24 November 2015, being 48 hours before the commencement of the meeting.

OR:	the Chair of the Me	eting as my/our proxy,	
accordance v laws as the p Room, Level 2	with the following directory sees fit at the An M, One World Hotel, Fir	if no person is named, the Chair or the tions, or, if no directions have been giver nual General Meeting of the Company rst Avenue, Bandar Utama City Centre, 4 2015 at 10.00am (MYT), and at any adjou	n, and subject to the relevant to be held at Iris & Hibiscus 7800 Petaling Jaya, Selangor,
AUTHORITY FO	R CHAIR TO VOTE UNDI	RECTED PROXIES ON REMUNERATION RELA	TED RESOLUTIONS
default), I/we have indicate	expressly authorise the d a different voting in	air as my/our proxy (or where the Chai e Chair to exercise my/our proxy on Res ntention below) even though Resolution member of the Key Management Personr	olution 1 (except where I/we n 1 is connected directly or
CHAIR'S VOTIN	IG INTENTION IN RELATION	ON TO UNDIRECTED PROXIES	
Chair may c	hange his/her voting	proxies in favour of all Resolutions. In exitate intention on any Resolution. In the intelligible disclosing the reasons for the change	event this occurs an ASX
		rtion or number of votes that this proxy is of of the Shareholder's votes.	authorised to cast is * [ ]%
(Additional Pro	oxy Forms can be suppl	ied by the Company upon request).	
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Resolution 1	Adoption of Remuner	•	For Against Abstain
Resolution 2	Re-election of a Direc	ctor – Mr Tee Lip Sin	
Resolution 2 Resolution 3	Re-election of a Direction of a Dire	ctor – Mr Tee Lip Sin ctor – Dato' Kamaruddin bin Mohammed	
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<sup>&</sup>lt;sup>1</sup>Insert name and address of shareholder <sup>2</sup> Insert name and address of proxy \*Omit if not applicable

#### **REPORT AND VALUATION**

LOT NO PT 64235
MUKIM OF KLANG
DISTRICT OF KLANG
SELANGOR DARUL EHSAN
(CLIENT: PHOSPHATE RESOURCES MALAYSIA)

Our Ref : KGV 150869

August 11 2015

Phosphate Resources Malaysia 209, Block A Kelana Business Centre 97, Jalan SS7/2, Kelana Jaya Selangor Darul Ehsan

Dear Sir,

Report and Valuation Lot No PT 64235 Mukim of Klang District of Klang Selangor Darul Ehsan

Pursuant to your instructions to advise on the present Market Value of the abovementioned property for financing purpose, we have inspected the same, made relevant investigations and herewith submit our report and valuation for your attention. This valuation report is prepared in accordance with the Malaysian Valuation Standards and is subject to the Limiting Conditions attached at the end.

Market Value is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

The subject property was inspected on **August 10 2015** by Muhammad Fadzli Bin Hamdan who also drafted this report. The date of inspection is taken to be the date of valuation.



**Property Valuers** 

Machinery Valuers

Property Managers 4

**Project Managers** 

Auctioneers

**Property Consultants** 

Real Estate Agents

Other Offices:

Johor Bahru

Unit 9-01, Level 9

Johor Bahru City Square

(Office Tower)

106-108, Jalan Wong Ah Fook

80000 Johor Bahru, Johor

Tel: (6)07-224 2022

Fax: (6)07-223 1366

Penang

12A-A, Jalan Todak 4

Pusat Bandar

Seberang Jaya

13700 Prai

Penang

Tel: (6)04-398 8111

Fax: (6)04-398 8181

Regulated by RICS



For the purpose of easy identification, the approximate location of the subject property is circled in red in the Location Plan marked Appendix A.

#### 4.0 SURROUNDINGS

The immediate properties comprise detached factories, showrooms, semi-detached factories, terrace factories and vacant industrial lands.

Sited to the north-east is the Pelabuhan Klang Cruise Centre (Formerly Star Cruise Terminal) while the West Port Terminal is sited to the west of the subject property. Developments in the larger neighbourhoods include the North Port and South Port.

Notable industrial premises within the locality include those occupied by Baiduri Dimensi Sdn Bhd, Gold Coin Specialities Sdn Bhd, PV Engineering (Holdings) Sdn Bhd and Kontena Nasional Berhad.

Developments within the larger neighbourhood include Port Klang Free Trade Zone (PKFZ), Bandar Armada Putra and Laguna Park.

The South-Klang Valley Expressway (SKVE) is connected to Pulau Indah on its south-eastern tip.

#### 5.0 DESCRIPTION OF PROPERTY

The subject lot is a regular piece of land with a site area of 18.242.32 sm (196,365.12 sf). It has frontage along its northern boundary onto Jalan Perigi Nenas 7/2 road and is level with the said road.

We are not unable to determine the specific boundaries of the subject property as there are no physical demarcation on the land. However, we noted that the subject locality is generally flat in terrain. At the time of inspection, the land is overgrown with light undergrowth and bushes.

Appendix B gives the Site Plan with the subject lot edged in red while photographs of the subject locality and its surroundings are shown in Appendix C and C1.

#### 6.0 SERVICES

Public utilities such as water and electricity are not connected to the subject property but are available in the locality.

Public transportation in the form of buses and taxis are available along Lebuhraya Pulau Indah. However, movements in the locality are usually by means of private vehicles.

## 7.0 TOWN PLANNING CONSIDERATIONS

The subject property is designated for industrial use as stipulated in the title document.

#### 8.0 METHOD OF VALUATION

To arrive at our opinion of the present Market Value of the subject property, we adopt the Comparison Approach. Under this approach, the value of the property is determined by comparing it with recent sales and/or listings of similar properties in the vicinity, or if not available, within similar localities. As no two properties are often identical, adjustments are then made for differences in factors such as location, physical characteristics and time element. Professional judgement is called upon in interpreting available data and making the adjustments.

#### 9.0 EVIDENCES OF VALUE

Our investigations revealed that industrial lands in the locality are being transacted/listed recently at prices ranging from RM592 to RM646 psm (approximately RM55 to **RM60** psf)

depending on the specific location, size, shape, terrain accessibility, surrounding development and extent of land improvements done. We noted in particular these comparables:-

COMPARABLE 1	Lot 78143, 78144 and 78148	
	Mukim of Klang	
LAND AREA	1,160,002.80 sf	
TRANSACTION DATE	April 8 2014	
CONSIDERATION	RM72,496,399	
SOURCE	JPPH Data	
REMARKS	Rate psf (over land area) = RM62 psf	
	Located along Persiaran Pelabuhan Barat,	
	Pulau Indah	
COMPARABLE 2	Lot 78153, 78154 and 78155	
·	Mukim of Klang	
LAND AREA	1,098,583.20 sf	
TRANSACTION DATE	April 8 2014	
CONSIDERATION	RM62,373,601	
SOURCE	JPPH Data	
REMARKS	Rate psf (over land area) = RM57 psf	
	Located along Persiaran Pelabuhan Barat,	
	Pulau Indah	
COMPARABLE 3	Lot No PT 64283	
	Mukim of Klang	
LAND AREA	129,775.51 sf	
TRANSACTION DATE	December 31 2013	
CONSIDERATION	RM6,229200	
SOURCE	JPPH Data	
REMARKS	Rate psf (over land area) = RM48 psf	
	Located along Jalan Perigi Nenas 8/7,	
	Pulau Indah	

#### 10.0 OPINION OF VALUE

Premised on the foregoing and with due consideration to all other factors relevant to our valuation, we are of the opinion that the present Market Value of the subject property (Lot No PT 64235, Mukim of Klang, District of Klang, Selangor Darul Ehsan) free from all encumbrances and with vacant possession is RM11,390,000 (RINGGIT MALAYSIA ELEVEN MILLION THREE HUNDRED AND NINETY THOUSAND ONLY).

Yours faithfully

r ANTHONY CHUA KIAN BENG

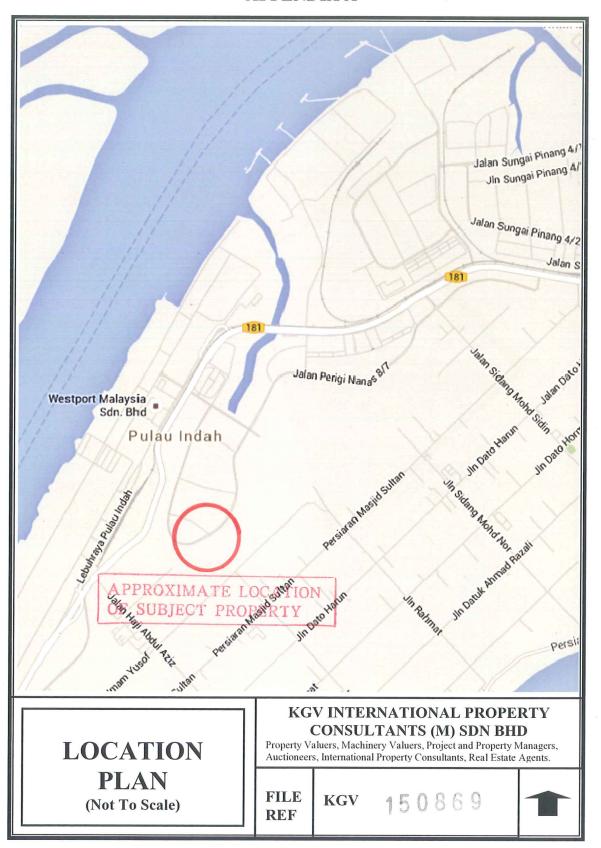
B Surv (Hons) Ppty Mgmt, FRISM, MRICS

(Registered Valuer V445)

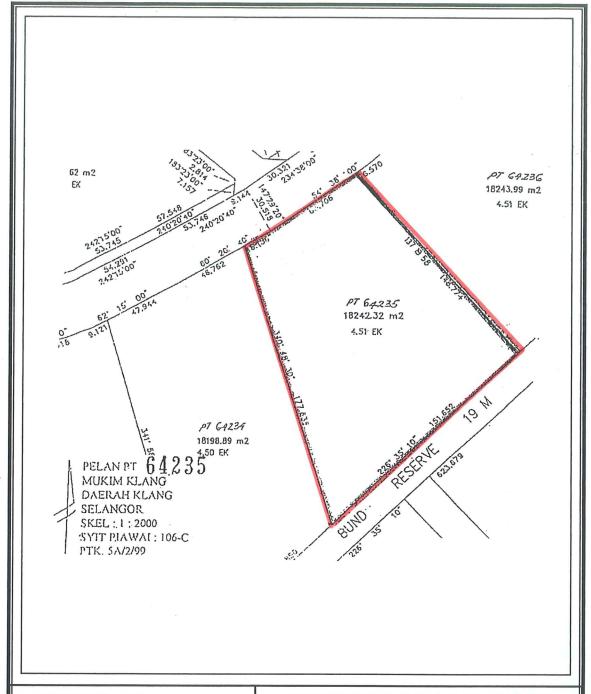
Executive Director (Valuation)

FDZ/LL/AC/ani

#### APPENDIX A



#### **APPENDIX B**



#### SITE PLAN

(Not To Scale)

### KGV INTERNATIONAL PROPERTY CONSULTANTS (M) SDN BHD

Property Valuers, Machinery Valuers, Project and Property Managers, Auctioneers, International Property Consultants, Real Estate Agents.

FILE REF

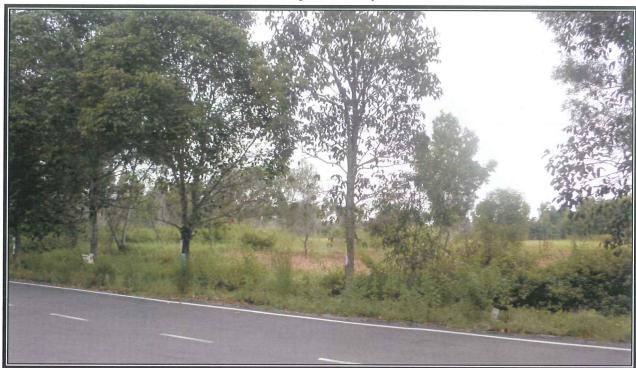
KGV

150869



#### **APPENDIX C: PHOTOGRAPHS**

View of Subject Locality



Another view of Subject Locality



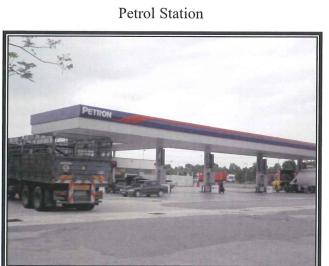
KGV150869

#### APPENDIX CI

Surroundings

#### Surroundings of subject locality







Factory near subject locality



#### **ANNEXURE 1**

Property

Lot No PT 64235 Mukim of Klang District of Klang Selangor Darul Ehsan

Title

HS(D) 67515

Interest

99-year leasehold expiring on February 24 2097. The present unexpired term of the lease is approximately 83 years.

Land Area

18,242.32 sm (196,365.12 sf)

Annual Rent

RM18,790.00

Category of Land Use

Industry

Registered Proprietor

Mutiara Suci Sdn Berhad

**Express Condition** 

Industri

Restriction-in-Interest

Tanah yang diberi milik ini tidak boleh dipindah milik, dipajak atau digadai melainkan dengan kebenaran Pihak Berkuasa Negeri.

Encumbrances

Nil

For our valuation purpose, the above particulars are deemed to be correct. However, we recommended that they are further verified and confirmed by a solicitor.

Date of Title Search: August 18 2015

#### LIMITING CONDITIONS

- 1. This Report is confidential to the Client or to whom it is addressed and for the specific purpose to which it refers. It may only be disclosed to other professional advisors assisting the Client in respect to that purpose, but the Client shall not disclose the report to any other person.
- 2. Neither the whole, nor any part of the Valuation Report or Certificate or any reference thereto may be included in any published document, circular or statement nor published in any way without our prior written approval of the form and context in which it may appear. We shall bear no responsibility nor be held liable to any party in any manner whatsoever in the event of any unauthorised publication of the Valuation Report, whether in part or in whole.
- 3. The opinion of value expressed in this Report shall only be used by the addressee for the purpose stated or intended in this Report. We are not responsible for any consequences arising from the Valuation Report being relied upon by any other party whatsoever or for any information therein quoted out of context.
- 4. Whenever possible, a private title search is conducted at the relevant Land Registry/Office but this is done to establish title particulars relevant to valuation only. Whilst we may have inspected the title of the property as recorded in the Register Document of title, we cannot accept any responsibility for its legal validity or as to the accuracy and timeliness of the information extracted or obtained from the relevant Land Registry/Office.
- 5. We have not conducted any land survey to ascertain the actual site boundaries. For the purpose of this valuation, we have assumed that the dimensions correspond with those shown in the title document, certified plan or any relevant agreement.
- 6. While due care has been taken to note building defects in the course of inspection, no structural surveys were made nor any inspection of woodwork or other parts of the structure which were covered or inaccessible were made. We are therefore unable to express an opinion or advise on the condition of uninspected parts and this Report should not be taken as making any implied representation or statement on such parts. Whilst any defects or items of disrepair may be noted during the course of inspection, we are not able to give any assurance in respect of any rot, termite or pest infestation or other hidden defects.
- 7. We have considered the property as if free and clear of all charges, lien and all other encumbrances that may be secured thereon. We also assumed the property is free of statutory notices and outgoings.
- 8. Where information has been supplied to us by our client or related party and such information is stated in the Report as taken to be correct, we cannot be held liable for any loss or damage in the event the information is found to be false, inaccurate or misleading.
- 9. The Valuation Report does not automatically bind us to attend court or give evidence before any government or statutory body unless specifically made known to us in writing by the client at the time of giving the instructions for the valuation.
- 10. This valuation is current as at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value.
- 11. In the inventory, machinery and/or equipment is listed as complete working units, i.e. machinery and/or equipment is meant to include all parts and accessories normally comprising the unit. We have totally disregarded such items which, in our opinion have no practical take-up value or are normally charged as operating expense.