



# **GAS2GRID LIMITED**

## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the Annual General Meeting of Gas2Grid Limited ("Company") will be held at the **Offices of Piper Alderman, Level 23, Governor Macquarie Tower, 1 Farrer Place, Sydney 2000 on 26 November 2015 at 10:30 am.**

### **BUSINESS**

#### **FINANCIAL REPORT AND DIRECTORS' AND AUDIT REPORTS**

Note: An electronic version of the Financial Year 2015 Annual Report is available for download at the Company's website [www.gas2grid.com](http://www.gas2grid.com). The Annual Report will only be mailed to those shareholders who previously elected to receive a hard copy.

To receive and consider the financial report, including the Directors' declaration, for the year ended 30 June 2015 and the related Directors' report and audit report.

#### **ORDINARY RESOLUTIONS**

To consider and, if thought fit, to pass the following ordinary resolutions:

**1. Remuneration report**

"That the Remuneration Report for the year ended 30 June 2015 be adopted."

*(Note: The vote on this resolution is advisory only and does not bind the Directors or the Company. The Remuneration Report can be found on pages 12 to 17 of the 2015 Annual Report.)*

**2. Election of Director - Mr Patrick W V M Sam Yue**

"That Mr Patrick W V M Sam Yue who retires according to the Constitution of the Company and who, being eligible, offers himself for election, be elected a Director of the Company."

**3. Issue of shares to Director Mr Patrick W V M Sam Yue under Employee Incentive Plan**

"That approval be given for the purposes of Listing Rule 10.14 of ASX Limited and for all other purposes, the issue of 12,000,000 fully paid ordinary shares in Gas2Grid Limited at an issue price of \$0.008 per share and the provision of a loan of \$96,000.00 to acquire the shares to Mr Patrick W V M Sam Yue under the Gas2Grid Limited Employee Incentive Plan on the terms summarized in the Explanatory Statement."

**4. Issue of shares to Director Mr David A Munns as payment of outstanding fees**

"That approval be given for the purposes of Listing Rule 10.11 of ASX Limited and for all other purposes for the Company to issue 11,666,666 fully paid ordinary shares in Gas2Grid Limited to Mr David A Munns or his nominee at a deemed issue price of \$0.003 per share as payment for outstanding Director's fees of \$35,000.00."

**5. Issue of shares to Director Mr Dennis J Morton as payment of outstanding fees**

"That approval be given for the purposes of Listing Rule 10.11 of ASX Limited and for all other purposes for the Company to issue 48,333,333 fully paid ordinary shares in Gas2Grid Limited to Mr Dennis J Morton or his nominee at a deemed issue price of \$0.003 per share as payment for outstanding management and Director's fees of \$145,000.00."

**6. Issue of shares to Director Mr Patrick Sam Yue as payment of outstanding fees**

"That approval be given for the purposes of Listing Rule 10.11 of ASX Limited and for all other purposes for the Company to issue 40,333,333 fully paid ordinary shares in Gas2Grid Limited to Mr Patrick W V M Sam Yue or his nominee at a deemed issue price of \$0.015 per share as payment for outstanding management and Director's fees of \$121,000.00."

**7. Approval for issue of up to 200,000,000 new shares**

"That approval is given in accordance with Listing Rule 7.1 of ASX Limited for the issue and allotment of up to 200,000,000 fully paid ordinary shares as detailed in the Explanatory Statement."

## **VOTING EXCLUSIONS**

### **Resolution 1**

The Company will disregard any votes cast on Resolution 1 by or on behalf of either:

- a member of the key management personnel (KMP) as disclosed in the Remuneration Report ; or
- a closely related party of such a member.

### **Resolution 3**

In accordance with Listing Rule 10.15.5 of ASX Limited ("ASX"), the Company will disregard any votes cast on Resolution 3 by:

- a Director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company); and
- an associate of such person.

### **Resolution 4**

In accordance with Listing Rule 10.13.6 of ASX, the Company will disregard any votes cast on Resolution 4 by:

- Mr David A Munns; and
- any associate of Mr David A Munns.

### **Resolution 5**

In accordance with Listing Rule 10.13.6 of ASX, the Company will disregard any votes cast on Resolution 5 by:

- Mr Dennis J Morton; and
- any associate of Mr Dennis J Morton.

## **Resolution 6**

In accordance with Listing Rule 10.13.6 of ASX, the Company will disregard any votes cast on Resolution 6 by:

- Mr Patrick W V M Sam Yue; and
- any associate of Mr Patrick W V M Sam Yue.

## **Resolution 7**

In accordance with Listing Rule 7.3.8 of ASX, the Company will disregard any votes cast on Resolution 7 by:

- a person who may participate in the proposed issue of securities 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
- an associate of that person.

However, with respect to all resolutions 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
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with the direction on the proxy form to vote as the proxy decides.

## **HOW TO VOTE**

If you wish to vote on the resolutions contained in this notice, you should either attend the meeting in person, or appoint a proxy or proxies to attend on your behalf. In relation to the appointment of proxies, refer to the notes on proxies on the Proxy Form. A body corporate may appoint a representative to attend in accordance with the Corporations Act 2001. An executed notice evidencing the appointment of the person attending is required when registering at the Annual General Meeting.

**To be valid, forms of proxy (enclosed) for use at the meeting must be completed and returned to the Company no later than 10:30 am NSW Standard Time on 24 November 2015.**

## **ENTITLEMENT TO VOTE**

For the purpose of the meeting, and in accordance with regulation 7.11.37 of the Corporations Regulations 2001, it has been determined that shares in the Company will be taken to be held by the persons who are registered holders as at 11:00 pm (NSW Standard Time) on 24 November 2015. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

Dated this 26<sup>th</sup> day of October 2015

By Order of the Board of Directors of Gas2Grid Limited

A handwritten signature in black ink, appearing to read "Patrick Sam Yue".

Patrick Sam Yue  
Company Secretary

## EXPLANATORY STATEMENT

This Explanatory Statement provides information to shareholders for the Annual General Meeting of shareholders of Gas2Grid Limited to be held on **26 November 2015 at 10:30 am** at the **Offices of Piper Alderman, Level 23, Governor Macquarie Tower, 1 Farrer Place, Sydney 2000** and it should be read in conjunction with the accompanying Notice of Annual General Meeting.

### **Resolution 3 – Approval for issue of Shares to Director Mr Patrick W V M Sam Yue under the Gas2Grid Limited Employee Incentive Plan**

The Company has in place a share and option incentive scheme known as the Gas2Grid Limited Employee Incentive Plan (“EIP”) which was approved by shareholders at the Annual General Meeting held on 22 November 2013. The EIP gives the Directors, officers, employees and contractors (“Eligible Persons”) the opportunity to participate in the equity of the Company. The Company proposes to issue new fully paid ordinary shares in Gas2Grid Limited (“Shares”) to Director Mr Patrick W V M Sam Yue under the EIP, subject to approval of shareholders at the Annual General Meeting.

Information to shareholders in accordance with Listing Rule 10.15 is as follows:

1. Subject to approval of shareholders, the Shares under the EIP will be issued to Mr Patrick W V M Sam Yue who is a Director of the Company.
2. The maximum total number of securities to be issued to Mr Patrick W V M Sam Yue is 12,000,000 Shares as recommended by the Board.
3. The Shares will be issued at \$0.008 per Share. The issue price per Share is at a premium of approximately 266.7% to the volume weighted average market price of a Share of \$0.003 over the last 15 trading days on which sales were recorded to 22 October 2015, the business day before the proposal was made for the grant of Shares under the EIP.
4. Directors or an associate of a Director or a person who in ASX's opinion must not receive securities under an employee incentive scheme without the approval of shareholders and those who have previously received securities under the EIP or any employee incentive scheme of the Company are as follows: Mr David A Munns - 5,000,000 Shares at \$0.05 per Share, 1,000,000 Shares at \$0.08 per Share and 6,500,000 Shares at \$0.03 per Share; Mr Dennis J Morton – 5,000,000 Shares at \$0.08 per Share; Mr Patrick W V M Sam Yue - 5,000,000 Shares at \$0.05 per Share, 3,500,000 Shares at \$0.08 per Share, 3,500,000 at \$0.10 per Share, 6,500,000 Shares at \$0.03 per Share and 9,000,000 Shares at \$0.02 per Share; and Mr Darren W Reeder – 500,000 Shares at \$0.08 per Share.
5. The name of the person referred to in Listing Rule 10.14 entitled to participate in the EIP is Mr Patrick W V M Sam Yue.
6. Subject to approval of shareholders, a non-recourse interest free loan of \$96,000.00 for a term of 5 years will be provided to Mr Patrick W V M Sam Yue. The Company will hold a lien over the Shares until the loan is repaid. If the loan is not repaid at the expiry of the term of the loan or if a disqualifying event occurs, the Company may sell the Shares and after costs apply the sale proceeds to repay the outstanding amount of the loan. If there is a shortfall between the loan amount still owing and the sale price, Mr Sam Yue will not be required to make good the shortfall. If there is a surplus after the sale of the Shares, Mr Sam Yue is only entitled to the surplus if the qualifying period (see paragraph below) of the offer of the

Shares under the EIP has expired. A disqualifying event occurs when (i) the Director ceases to be an Eligible Person; or (ii) the Director becomes an insolvent under administration; or (iii) the Director has perpetrated fraud against the Company; or (iv) the Director commits a breach of an obligation under the rules of the EIP.

7. The Shares will be issued within 12 months after approval is given by shareholders.

The EIP Shares will be issued under a three month qualifying period when the EIP Shares may not be dealt with by the holder. The Shares issued under the EIP have the same rights as other Shares in the Company subject to restrictions on transfer, which apply where a loan made by the Company for acquisition of the Shares remains unpaid.

By accepting an offer of Shares in accordance with the EIP, the Director agrees to be bound by the rules of the EIP. The rules of the EIP comply with the Listing Rules of ASX and Corporations Act 2001 requirements. Any amendment to the rules of the EIP will also be subject to Listing Rules of ASX and Corporations Act 2001 requirements. The EIP may only be amended by a resolution of the shareholders of the Company.

Shareholder approval is sought for the issue of the EIP Shares to Mr Patrick W V M Sam Yue as under Listing Rule 10.14 of ASX the issue of any Shares by the Company to a Director requires shareholder approval. If approval is given under Listing Rule 10.14, approval is not required under Listing Rule 7.1 with the result that the Shares issued to the Director are not taken into account in determining whether the Company has capacity under Listing Rule 7.1 to issue Shares.

Shareholder approval is also sought for the Company to make a non-recourse interest free 5 year loan of \$96,000.00 to Mr Patrick W V M Sam Yue under the EIP to enable him to acquire the EIP Shares. Funds received on repayment of the loan will be applied to general working capital.

The offer of the Shares combined with the grant of the loans to acquire the Shares under the EIP is akin to the offer of five year options exercisable at \$0.008 per option. Applying the Black Scholes Option Pricing model, the estimated value of the option equivalent being offered to the Director at 22 October 2015 (the business day before the proposal was made for the grant of Shares under the EIP), applying a risk free rate of 2.06% and expected price volatility of the Share price of 168% is \$0.00168 per option i.e. \$20,100.00 for 12,000,000 Shares offered to the Director.

The Directors believe that the grant of those Shares under the EIP is reasonable share based remuneration supplementing short term cash benefits and incentive that align the interests of the Director with those of other shareholders given the 266.7% premium built in the pricing of those Shares. Mr Sam Yue dedicates very substantial time to the business of the Company discharging the duties of Company Secretary and Chief Financial Officer in addition to overseeing the Company's projects in France and is paid management fees of \$8,000.00 per month and Director's fees of \$25,000.00 per year. The Board, with Mr Sam Yue abstaining, recommend shareholders to vote in favour of this resolution.

#### **Resolutions 4, 5 and 6 – Approval of issue of Shares to Directors as payment of outstanding fees**

In order to preserve cash resources of the Company and to extinguish the liabilities for fees owing to the Directors, Chairman Mr David A Munns, Managing Director Mr Dennis J Morton, and Director Patrick WVM Sam Yue agreed for management and Director's fees owing to them to be settled by the issue of Shares at a deemed issue price of \$0.003 per Share which is equal to the volume weighted average market price of a Share over the last 15 trading days on which sales were recorded to 22 October 2015, the business day before the agreement. Subject to approval of shareholders, Mr David A Munns will be issued 11,666,666 Shares, Mr Dennis Morton will be issued 48,333,333 Shares and Mr Patrick WVM Sam Yue will be issued 40,333,333

Shares within one month after the date of the meeting. No cash will be raised from the issue of Shares which will be for settlement of outstanding fees payable to those Directors as at 30 September 2015. The Shares to be issued have the same rights as other Shares in the Company.

Shareholder approval is sought for the issue of the Shares to Mr David A Munns, Mr Dennis J Morton and Mr Patrick WVM Sam Yue as under Listing Rule 10.11 of ASX the issue of any Share by the Company to a Director requires shareholder approval. If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1 with the result that the Shares issued to the Directors are not taken into account in determining whether the Company has capacity under Listing Rule 7.1 to issue Shares – that is, whether it has issued more than 15% of its ordinary security during the 12 month period following the issue of the Shares to the Directors.

The Directors recommend that you vote in favour of this resolution.

#### **Resolution 7 - Approval for issue of up to 200,000,000 new Shares**

Subject to the approval of shareholders, the Company proposes to issue up to 200,000,000 Shares at a price per Share that is at least 80% of the average market price for the Share calculated over the last 5 days on which sales in the Shares were recorded before the day on which the issue is made.

The Shares proposed to be issued have the same rights as other Shares of the Company already on issue.

The amount to be raised is to be applied to the Company's exploration activities, appraisal of corporate opportunities, participation in new ventures, if any, the cost of placement of the Shares and to general working capital.

The Company proposes to offer the Shares to professional and sophisticated investors and other investors who do not require a disclosure document under section 708 of the Corporations Act that are known to the Company and/or introduced by stockbrokers. No approaches have yet been made to investors or stockbrokers on any offer at this time. The Shares will only be issued to those persons that accept an offer, if and after the proposed issue is approved by shareholders at the Annual General Meeting. The Shares will not be offered to related parties. The Company may not issue all the Shares for which approval is given and may issue the Shares progressively as the Company places the Shares with investors.

No Shares approved under this Resolution 7 will be issued and allotted by the Company later than three months from the date of the Annual General Meeting.

The Directors recommend that you vote in favour of this resolution.

# Gas2Grid Limited

ABN 46 112 138 780

## FOR ALL ENQUIRIES CALL:

+61 2 8298 3688

## FACSIMILE

+61 2 8298 3699

## ALL CORRESPONDENCE TO:

Gas2Grid Limited  
Level 11, 10 Bridge Street  
Sydney NSW 2000  
Australia



### Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction on the form. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

## YOUR VOTE IS IMPORTANT

FOR YOUR VOTE TO BE EFFECTIVE IT MUST BE RECORDED BEFORE 10:30 AM ON 24 NOVEMBER 2015

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## TO VOTE BY COMPLETING THE PROXY FORM

### STEP 1 Appointment of Proxy

Indicate here who you want to appoint as your Proxy.

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chairman of the Meeting as your proxy please write the full name of that individual or body corporate. 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 security holder of the Company. Do not write the name of the issuer company or the registered securityholder in the space.

#### Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the Company's securities registry.

#### Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the 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.
- (b) return both forms together in the same envelope.

### STEP 2 Voting Directions to your Proxy

You can tell your Proxy how to vote

To direct your proxy how to vote, place a mark in one of the 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.

### STEP 3 Sign the Form

The form **must** be signed as follows:

**Individual:** This form is to be signed by the securityholder.

**Joint Holding:** where the holding is in more than one name, all the securityholders must sign.

**Power of Attorney:** to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. **Please indicate the office held by signing in the appropriate place.**

### STEP 4 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 not later than 48 hours before the commencement of the meeting that is at **10:30 am on 24 November 2015**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxies may be lodged:

**BY MAIL OR IN PERSON** -  
Share Registry – RB registries  
Level 29, Suncorp Place  
259 George Street  
Sydney NSW 2000 Australia

**BY FAX** - + 61 2 9251 1275

### Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.



## STEP 1 - Appointment of Proxy

I/We being a member/s of **Gas2Grid Limited** and entitled to attend and vote hereby appoint

☐ the Chairman of the Meeting (mark with an 'X') **OR**

If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered Securityholder) you are appointing as your proxy.

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy at the **Annual General Meeting of Gas2Grid Limited** to be held at the **Offices of Piper Alderman, Level 23, Governor Macquarie Tower, 1 Farrer Place, Sydney 2000 on 26 November 2015 at 10:30 am** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting instruction below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of each resolution, even though a resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel. The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

## STEP 2 - Voting directions to your Proxy – please mark ☒ or ☒ to indicate your directions

Ordinary Resolutions	For	Against	Abstain*	Ordinary Resolutions	For	Against	Abstain*
1 Approval of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Issue of Shares to Mr Patrick Sam Yue or his nominee as payment of outstanding fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Election of Mr Patrick W V M Sam Yue as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Approval for issue of 200,000,000 new Shares under ASX Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Issue of Shares to Mr Patrick Sam Yue under Employee Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Issue of Shares to Mr David Munns or his nominee as payment of outstanding fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
5 Issue of Shares to Mr Dennis Morton or his nominee as payment of outstanding fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

In addition to the intentions advised above, the Chairman of the Meeting intends to vote undirected proxies in favour of each of the items of business.

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

## STEP 3 - 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	Securityholder 2	Securityholder 3
<input type="text"/>	<input type="text"/>	<input type="text"/>
Sole Director and Sole Company Secretary	Director	Director/Company Secretary

Contact Name ..... Contact Telephone/Email ..... Date / / 2015