
**THIS IS AN IMPORTANT DOCUMENT
AND REQUIRES YOUR ATTENTION**

TEYS LIMITED
ACN 009 118 861

NOTICE OF GENERAL MEETING

Notice is given that the General Meeting of
Tey's Limited
will be held at
24 Palmerston Road West
RINGWOOD VICTORIA 3134
on 21 July 2014, commencing at 10.00am.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters set out in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 3) 9845 8300

TEYS LIMITED

ACN 009 118 861

NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting of the Shareholders of Tey's Limited ACN 009 118 861 will be held at 24 Palmerston Road West on 21 July 2014 at 10.00am AEST.

AGENDA

The attached Explanatory Memorandum that forms part of this Notice of Meeting is provided to supply Shareholders with information to enable them to make an informed decision regarding the Resolutions set out in this Notice.

The Explanatory Memorandum is to be read in conjunction with this Notice.

A. Business – Ordinary Resolutions

Financial Statements and Reports

To receive and consider the financial reports of the Company for the year ended 30 June 2013 and the reports of the Directors and Auditors.

The Corporations Act and the Company's Constitution do not require that a vote of the Members be taken on the financial reports, or the reports of the Directors or Auditors. However Members will be provided with the opportunity to raise any issues with, or ask questions of, the Directors or Auditor in relation to the reports or the business and operations of the Company at the Meeting.

Resolution 1: Adoption of Remuneration Report

To consider and, if thought fit, to pass the following as an ordinary resolution:

"That the Remuneration Report required by section 300A of the Corporations Act for the financial year ended 30 June 2013 be adopted."

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

Resolution 2: Approval to Issue Shares on the Conversion of Convertible Notes

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

"That, subject to and conditional upon the passing of all of the Resolutions for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the prior issue by the Company of the Convertible Notes and the Conversion of those Convertible Notes into up to 56,818,182 fully paid ordinary Shares (on a Pre consolidation basis), (which will convert to 789,141 fully paid ordinary shares on a Post consolidation basis if all Resolutions the subject of this meeting are approved) in the Company at \$0.00176 (0.176 cents) per Share, to various parties on conversion by them of \$100,000 of convertible notes previously issued and that the Company be entitled to issue such Shares within 1 month of the date of the General Meeting of the Company"

Voting Exclusion Statement: The Company will disregard any votes cast on this resolution by any holders of Convertible Notes or any person who may participate in the issue or might obtain a benefit and any of their associates. 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
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 3: Approval to Issue Shares to a Director Related Entity

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

“That subject to and conditional upon the passing of all of the Resolutions for the purposes of Listing Rule 10.11, and for all other purposes, approval is given for the issue by the Company of up to 4,024,432 fully paid ordinary Shares (on a Pre consolidation basis), (which will convert to 55,894 fully paid ordinary shares on a Post consolidation basis if all Resolutions are approved) in the Company, at \$0.00176 (0.176 cents) per Share, to Boom Capital Pty Ltd, a Company associated with Mr. Constantine Scrinis on conversion of the Convertible Notes held by that Company and otherwise on the terms and conditions set out in the Explanatory Memorandum”

Voting Exclusion Statement: The Company will disregard any votes cast on this resolution by Boom Capital Pty Ltd or Mr. Constantine Scrinis and any of their associates. 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
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 4: Approval to Issue Shares to a Director Related Entity

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

“That subject to and conditional upon the passing of all of the Resolutions for the purposes of Listing Rule 10.11, and for all other purposes, approval is given for the issue by the Company of up to 4,024,432 fully paid ordinary Shares (on a Pre consolidation basis), (which will convert to 55,894 fully paid ordinary shares on a Post consolidation basis if all Resolutions are approved) in the Company, at \$0.00176 (0.176 cents) per Share, to B2B Holdings Pty Ltd, a Company associated with Mr. Gregory Wood on conversion of the Convertible Notes held by that Company and otherwise on the terms and conditions set out in the Explanatory Memorandum”

Voting Exclusion Statement: The Company will disregard any votes cast on this resolution by B2B Holdings Pty Ltd or Mr. Gregory Wood and any of their associates. 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
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 5: Approval to the Issue of Shares

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

“That, subject to and conditional upon the passing of all of the Resolutions for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the issue by the Company of up to 69,250,000 fully paid ordinary Shares (on a Pre consolidation basis), (which will convert to 961,806 fully paid ordinary shares on a Post consolidation basis if all Resolutions are approved) in the Company, at \$0.00278 (0.278 cents) per Share, to various parties as repayment to them of loans provided by them or for services provided of \$192,361 made to the Company and that the Company be entitled to issue such Shares at any time within 1 month of the date of the General Meeting of the Company”

Voting Exclusion Statement: The Company will disregard any votes cast on this resolution by any person who advanced money to the Company or who may participate in the issue or might obtain a benefit and any of their associates. 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
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 6: Approval to Issue Shares to a Director Related Entity

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

“That subject to and conditional upon the passing of all of the Resolutions for the purposes of Listing Rule 10.11, and for all other purposes, approval is given for the issue by the Company of up to 60,629,800 fully paid ordinary Shares (on a Pre consolidation basis), (which will convert to 842,080 fully paid ordinary shares on a Post consolidation basis if all Resolutions are approved) in the Company, at \$0.00278 (0.278 cents) per Share, to Boom Capital Pty Ltd, a Company associated with Mr. Constantine Scrinis as repayment of a loan made and services provided by that Company and otherwise on the terms and conditions set out in the Explanatory Memorandum”

Voting Exclusion Statement: The Company will disregard any votes cast on this resolution by Boom Capital Pty Ltd or Mr. Constantine Scrinis and any of their associates. 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
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 7: Approval to Issue Shares to a Director Related Entity

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

“That subject to and conditional upon the passing of all of the Resolutions for the purposes of Listing Rule 10.11, and for all other purposes, approval is given for the issue by the Company of up to 3,670,200 fully paid ordinary Shares (on a Pre consolidation basis), (which will convert to 50,975 fully paid ordinary shares on a Post consolidation basis if all Resolutions are approved) in the Company, at \$0.00278 (0.278 cents) per Share, to B2B Holdings Pty Ltd, a Company associated with Mr. Gregory Wood as repayment of a loan made by that Company and otherwise on the terms and conditions set out in the Explanatory Memorandum”

Voting Exclusion Statement: The Company will disregard any votes cast on this resolution by B2B Holdings Pty Ltd or Mr. Gregory Wood and any of their associates. 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
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 8: Approval to Issue Shares to a Director Related Entity

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

“That subject to and conditional upon the passing of all of the Resolutions for the purposes of Listing Rule 10.11, and for all other purposes, approval is given for the issue by the Company of up to 4,950,000 fully paid ordinary Shares (on a Pre consolidation basis), (which will convert to 68,750 fully paid ordinary shares on a Post consolidation basis if all Resolutions are approved) in the Company, at \$0.00278 (0.278 cents) per Share, to Mr. Hemant Amin for services provided by him to the Company and otherwise on the terms and conditions set out in the Explanatory Memorandum”

Voting Exclusion Statement: The Company will disregard any votes cast on this resolution by Mr. Hemant Amin and any of his associates. 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
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 9: Consolidation of Capital

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

“That, pursuant to Section 254H of the Corporations Act, Listing Rule 2.1 Condition 2, and the Company’s constitution and for all other purposes, the issued capital of the Company be consolidated on the basis that every seventy two (72) Shares be consolidated into one (1) Share, with the Consolidation taking effect on a date to be announced to the ASX in accordance with the requirements of the Listing Rules, and where this Consolidation results in a fraction of a Share being held by a Shareholder, the Directors be authorised to round that fraction up to the nearest whole Share.”

Resolution 10: Approval of change in nature and scale of activities:

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

“That subject to and conditional upon the passing of all of the Resolutions, for the purposes of Listing Rule 11.1 and for all other purposes, approval is given for the Company to make a significant change in the nature and scale of its activities as explained in the Explanatory Memorandum.”

Voting Exclusion Statement: The Company will disregard any votes cast on this resolution by any person who may participate in the issue or might obtain a benefit and any of their associates. 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

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

Resolution 11: Approval of the issue of the Initial Consideration Shares to the Lymex Shareholders as consideration for the acquisition of Lymex Tenements Pty Ltd

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

“That, subject to the passing of all of the Resolutions, for the purposes of ASX Listing Rule 7.1 and all other purposes, approval is given for the Company to allot and issue 4,697,776 of the 30,000,000 Initial Consideration Shares to be issued to the Lymex Shareholders (on a post Consolidation basis) for the purposes and on the terms set out in the Explanatory Memorandum.”

Voting Exclusion Statement: The Company will disregard any votes cast on this resolution by any person who may participate in the issue or might obtain a benefit and any of their associates. 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
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 12: Approval of the issue of the Deferred Consideration Tranche 1 Shares to the Lymex Shareholders

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

“That, subject to the passing of all of the Resolutions, for the purposes of ASX Listing Rules 7.1 and all other purposes, approval is given for the Directors to allot and issue 1,174,444 of the 7,500,000 Tranche 1 Shares to be issued the Lymex Shareholders (on a post Consolidation basis) for the purposes and on the terms set out in the Explanatory Memorandum.”

Voting Exclusion Statement: The Company will disregard any votes cast on this resolution by any person who may participate in the issue or might obtain a benefit and any of their associates. 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
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 13: Approval of the issue of the Deferred Consideration Tranche 2 Shares to the Lymex Shareholders

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

“That, subject to the passing of all of the Resolutions, for the purposes of ASX Listing Rules 7.1 and all other purposes, approval is given for the Directors to allot and issue 1,174,444 of the 7,500,000 Tranche 2 Shares to be issued to the Lymex Shareholders

(on a post Consolidation basis) for the purposes and on the terms set out in the Explanatory Memorandum.”

Voting Exclusion Statement: The Company will disregard any votes cast on this resolution by any person who may participate in the issue or might obtain a benefit and any of their associates. 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

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

Resolution 14: Approval of the issue of the Deferred Consideration Tranche 3 Shares to the Lymex Shareholders

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

“That, subject to the passing of all of the Resolutions, for the purposes of ASX Listing Rule 7.1 and all other purposes, approval is given for the Directors to allot and issue 1,174,444 of the 7,500,000 Tranche 3 Shares to be issued to Lymex Shareholders (on a post Consolidation basis) for the purposes and on the terms set out in the Explanatory Memorandum.”

Voting Exclusion Statement: The Company will disregard any votes cast on this resolution by any person who may participate in the issue or might obtain a benefit and any of their associates. 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
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 15: Approval for Matamin Pty Ltd to acquire a relevant interest in excess of 20%

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

“That, subject to and conditional upon the passing of all of the Resolutions, for the purpose of item 7 Section 611 of the Corporations Act and for all other purposes, approval is given for Matamin Pty Ltd to acquire 25,302,224 of the Initial Consideration Shares, 6,325,500 of the Tranche 1 Shares, 6,325,500 of the Tranche 2 Shares and 6,325,500 of the Tranche 3 Shares (on a post Consolidation basis), increasing the voting power of Matamin Pty Ltd in the Company from 0% to up to 57.68 % and resulting in the acquisition of a relevant interest in the issued voting shares of the Company by Matamin Pty Ltd in excess of the threshold prescribed by Section 606(1) of the Corporations Act on the terms and conditions set out in the Explanatory Statement.”

Expert's Report: Shareholders should carefully consider the Independent Expert's Report prepared by the Independent Expert for the purposes of Shareholder approval required under Section 611 (item 7) of the Corporations Act for this Resolution. The Independent Expert's Report assesses the fairness and reasonableness of the transaction to the non-associated Shareholders in the Company. The Independent Expert has determined that the transaction is fair and reasonable to the non-associated Shareholders of the Company.

Voting Exclusion Statement: The Company will disregard any votes cast on this resolution by any person who may participate in the issue or might obtain a benefit and any of their associates. 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
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 16: Approval of Capital Raising

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

“That, subject to and conditional upon the passing of all of the Resolutions, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue up to 30,000,000 Shares (on a Post consolidation basis) at an issue price of not less than \$0.20 per Share on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement: The Company will disregard any votes cast on this resolution by any person who may participate in the issue or might obtain a benefit and any of their associates. 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
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 17: Appointment of John Lynch as a Director

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

“That, subject to and conditional upon the passing of all of the Resolutions, for the purposes of clause 12.3 of the Company’s constitution and for all other purposes, John Lynch, being eligible, be appointed as a Director of the Company.”

Resolution 18: Appointment of Graham White as a Director

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

“That, subject to and conditional upon the passing of all of the Resolutions, for the purposes of clause 12.3 of the Company’s constitution and for all other purposes, Graham White, being eligible, be appointed as a Director of the Company.”

Resolution 19: Appointment of Phillip Staveley as a Director

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

“That, subject to and conditional upon the passing of all of the Resolutions, for the purposes of clause 12.3 of the Company’s constitution and for all other purposes, Phillip Staveley, being eligible, be appointed as a Director of the Company.”

Resolution 20: Appointment of Andrew Harrington as a Director B.Ec, M.Bus

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

“That, subject to and conditional upon the passing of all of the Resolutions, for the purposes of clause 12.3 of the Company’s constitution and for all other purposes, Andrew Harrington, being eligible, be appointed as a Director of the Company.”

B. Business – Special Resolutions

Resolution 21: Change of Company name

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a special resolution:

“That, subject to and conditional upon the passing of all of the Resolutions, for the purposes of Section 157(1)(a) of the Corporations Act and for all other purposes, approval is given for the name of the Company to be changed to Oakdale Resources Limited”.

C. Determination of voting entitlement

For the purpose of determining a person’s entitlement to vote at the General Meeting, a person will be recognized as a shareholder and the holder of Shares if that person is registered as a holder of those Shares at 7:00 p.m. AEST on # 2014.

D. Votes

Unless a poll is demanded in advance of voting on a resolution, voting on each resolution will initially be by way of a show of hands. On a show of hands, each member present in person or by proxy or, in the case of a body corporate, by a representative, shall have one vote.

On a poll, every member present in person or by attorney or by proxy or, in the case of a body corporate, by a representative, will have one vote for each share held by him, her or it.

E. Proxies

A Shareholder entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of the Shareholder.

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

If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of the Shareholder’s votes each proxy may exercise, each proxy may exercise half of the votes.

A proxy need not be a Shareholder. An instrument of proxy deposited or received at the registered office of the Company in which the name of the appointee is not filled in will be deemed to be given in the favour of the Chairman of the General Meeting.

To be effective, the instrument of appointment of a proxy (and power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority) must be

received by the Company at 24 Palmerston Road West or by facsimile on (03) # by not less than two days prior to the General Meeting, that is, by 5.00 pm AEST on 17 July 2014.

Voting by Proxy 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 that appointment does specify the way the proxy is to vote, then the following applies:

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

Transfer of non – chair proxy to chair in certain circumstances:

Section 250BC of the Corporations Act provides that if:

- (a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- (b) the appointed proxy is not the chair of the meeting; and
- (c) at the meeting, a poll is duly demanded on the resolution; and
- (d) either of the following applies:
 - (i) if a record of attendance is made for the meeting – the proxy is not recorded as attending the meeting;
 - (ii) 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.

Undirected Proxies:

The Chairperson of the Company will vote all undirected proxies in favour of the Resolutions. The Company encourages all Shareholders who submit proxies to direct their proxy how to vote on the Resolutions.

A form of proxy accompanies this Notice of Meeting.

F. Questions and Comments by Shareholders at the Meeting

A reasonable opportunity will be given to Shareholders to ask questions and/or make comments on the management of the Company at the Meeting.

Hemant Amin

Company Secretary

On behalf of the Board of Directors of Teys Limited

18 June 2014

EXPLANATORY MEMORANDUM

1. IMPORTANT NOTICE

This Explanatory Memorandum is given to Members in explanation of the resolutions to be considered at the Annual General Meeting of the Company to be held on 21 July 2014 at 10:00am and to assist Members in determining how they wish to vote on the resolutions.

This Explanatory Memorandum should be read in conjunction with, and forms part of the Notice of Meeting, which this Explanatory Memorandum accompanies.

Members should read the full text of this Explanatory Memorandum, as the information contained in individual sections does not create a comprehensive review of the proposals contemplated in this Explanatory Memorandum.

In considering the resolutions, Shareholders must bear in mind the current circumstances of the Company.

If all of the resolutions are passed and the proposed acquisition and capital raising is completed, the Company intends to seek the reinstatement of quotation of its securities on the Australian Securities Exchange. This reinstatement is, of course, subject to the discretion of the Australian Securities Exchange.

If Shareholders reject any of the Resolutions all of the resolutions will fail and the proposed acquisition, capital raising and application for reinstatement to ASX will not proceed.

If you are in doubt about the action you should take in relation to the proposals contemplated in this Explanatory Memorandum, you should consult your financial or other professional adviser immediately.

Words or expressions used in this Explanatory Memorandum are defined in the Glossary of Terms. Unless otherwise stated, all references to sums of money, \$ and dollars are references to Australian currency

Summary of Transaction

In summary, the purpose of the General Meeting is for the Company's Shareholders to approve:

- the Company making a significant change to the nature and scale of its activities by acquiring Lymex Tenements pursuant to a Share Sale Agreement with Lymex Limited. Lymex Tenements holds eight (8) exploration licences comprised in the Tenements. The acquisition of Lymex Tenements will see the Company focus its activities on the exploration of graphite, iron ore and base metals on the Tenements, which has not been the focus of the Company's activities in the past;
- the Consolidation of the Company's existing share capital on a 1:72 basis in connection with the transaction to acquire Lymex Tenements;
- the issue and allotment of 30,000,000 Fully Paid Ordinary Shares to the Lymex Shareholders as consideration for the acquisition of the Lymex Tenements from the Lymex Shareholders;

- the issue and allotment of up to an additional three (3) tranches of 7,500,000 each (in total 22,500,000) Shares to the Lymex Shareholders on the achievement of certain key milestones as set out in this Explanatory Memorandum as consideration for the acquisition of the Lymex Tenements;
- the proposed issue and allotment of up to 30,000,000 Shares at an issue price of \$0.20 per Share to raise up to \$6 million under a Prospectus to be issued for the Company's application for readmission in accordance with Listing Rules Chapters 1 and 2.
- the appointment of four (4) new directors to the Board of the Company; and
- the Company changing its name to 'Oakdale Resources Limited'.

Increase in voting power for Matamin Pty Ltd

Under the terms of the Acquisition, the major shareholder of Lymex Tenements, Matamin Pty Ltd, will be entitled to be issued approximately 84.34% of the total Consideration Securities to be issued to the Lymex Shareholders.

If all of the Resolutions are passed, and the Company proceeds with the acquisition contemplated under the Share Sale Agreement, then the relevant interest and voting power of Matamin Pty Ltd will increase to up to 57.68% from 0%. This potential increase in voting power for Matamin Pty Ltd is based on the following assumptions:

- (a) The minimum amount of \$3,750,000 is raised in the Capital Raising;
- (b) the Deferred Consideration Tranche 1 Shares, Deferred Consideration Tranche 2 Shares and Deferred Consideration Tranche 3 shares are issued and allotted to the Lymex Shareholders; and
- (c) Matamin Pty Ltd does not subscribe for any Shares in the Capital Raising.

The Directors recommend that Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

2. OVERVIEW

2.1 Background

Teys Limited (**Teys** or **Company**) is a public company listed on the official list of the ASX (**ASX code: TYS**), which currently has limited assets and business other than its ASX listing.

The Directors have been actively seeking to identify potential investment opportunities for the Company for some time.

Subject to completion of the acquisition of Lymex Tenements and readmission of the Company to the ASX, the Company intends in future to focus on the mining exploration currently being conducted by Lymex.

2.2 Background to change in nature and scale of activities

As announced on ASX on 25 February 2014, the Company has entered into a Share Sale Agreement with Lymex Limited (ACN 145 384 961) (**Lymex Limited**), pursuant to which the Company will acquire all of the issued capital in Lymex Tenements Pty Ltd (ACN 146 438 431) (**Lymex Tenements**), a private Australian company, which holds the mining tenements noted below (**Acquisition**). Under the terms of the Share Sale Agreement, Lymex Limited will procure that the Lymex Shareholders transfer all of their shares in Lymex Tenements to Teys. On completion of the Acquisition, the Company will own 100% of Lymex Tenements.

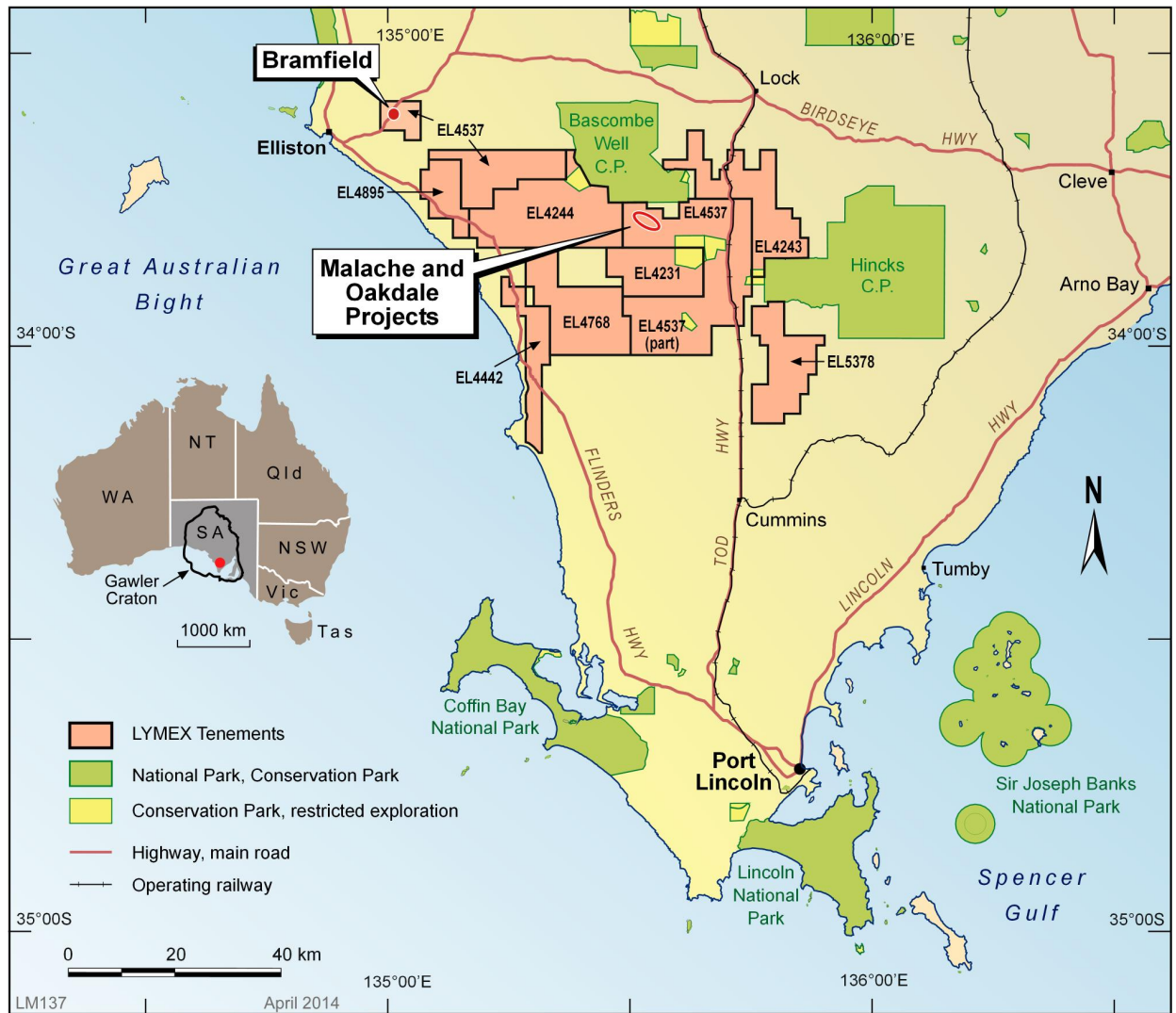
Lymex Tenements is the holder of the following eight (8) exploration licences over tenements located in South Australia (**Tenements**), which are considered prospective for graphite, iron ore and base metals:

Tenements	Exploration Licence particulars
Sheringa	EL 4244
Kapinnie	EL 4231
Lock	EL 4243
Brimpton Lake	EL 4537
Tungketta Hill	EL 4895
Mt Hope	EL 4442
Brooker	EL 5378
Hillside	EL 4768

As the Company does not have a history of resources exploration, Resolution 4 seeks approval from Shareholders for a change in the nature and scale of the activities of the Company to include graphite, iron ore and other and base metal exploration and development.

2.3 Overview of the Tenements

Lymex Tenements holds title to eight exploration licences in the Eyre Peninsula, South Australia. Following completion of the Acquisition, the Company will be entitled to the graphite mineralisation plus the iron ore and base metals of zinc, lead, copper and nickel and any minor or trace metals associated with the base metals and graphite mineralisation.



Lymex Tenements has established an Archean (2540 Ma) age for this area and that the geology is favourable for hosting deposits of Archean age: VHMS ("volcanogenic massive sulphide) deposits similar to those of the Canadian Shield and the Yilgarn and Pilbara cratons of Western Australia. Widespread anomalism in base metals within the tenements constitutes the target for massive sulphur deposits containing zinc-copper (+ lead) and nickel-copper sulphide deposits.

During the prospecting for those exploration targets, high grade graphitic horizons have been drilled. This graphite project (known as the Oakdale Graphite Project) has become an evaluation project rather than an exploration project, which, if it succeeds, potentially presents the Company with the opportunity of becoming a significant Australian graphite producer in a relatively short period of time.

The Oakdale Graphite Project has been scheduled for a programme of exploration and evaluation drilling. The graphite beds will first be defined with electromagnetic surveying, because they are extremely conductive, containing both graphite and pyrrhotite. Concurrent with the fieldwork, metallurgical test work, preliminary scoping studies and market research will be carried out.

The oxidized, weathered graphite units are ~40m thick, under ~20m of cover and lie within a graphite bearing zone which is greater than 200m wide. This graphite bearing zone with its oxidised graphite-rich units can be traced for many kilometers. The Company will focus on the oxide zone at this stage. A nominal exploration target of 10 million oxide tonnes grading 7% graphitic carbon has been selected.

It has been demonstrated in preliminary metallurgical tests that the weathered oxidized graphite zone does not need to be heavily crushed and ground to liberate the graphite, as weathering has altered the feldspar, pyrrhotite and other gangue minerals to soft clay minerals and oxides. Graphite, being pure carbon, does not break down in the oxidized zone so it can be readily recovered with minimum crushing and subsequent flotation. Preservation of coarse crystalline graphite is desirable as this product commands a higher price in the market. Metallurgical test work on the oxidized zone recovered both coarse flake and flake graphite in excess of 37 microns and up to 1000 microns.

AMMTEC's Metallurgical Report on the Oakdale Graphite Project states that the recoveries and the carbon grade can be improved to 90% or better by removing the carried over silica by gravity techniques and washing the recovered graphite to recover the clays contained in the concentrate. If necessary, recoveries and carbon grade could further be improved by chemical treatment of the recovered graphite concentrates.

At the Malache and Tooligie prospects, an interpreted shear zone contains at least 30km of base-metal anomalous target area, which includes wide intersections even though drill testing has been widely spaced. Drill zone BLDD04, the Malache Prospect discovery diamond drill hole, averages 0.45% zinc over 144.80m, which includes 92.27 m grading 0.67% zinc from 83.4 m to 175.67 m. There are parallel zones with similar geology and anomalism which have been tested with even fewer drill holes.

Lymex Ltd, on the basis of its work to date, is confident that the existing and planned infrastructure in this part of the Eyre Peninsula is favourable and environmental conditions are satisfactory for the potential development of a graphite project at the Tenements.

2.4 Material terms of the Acquisition

The material terms of the Acquisition are as follows:

(a) the Acquisition is conditional upon (amongst other things):

the Company obtaining all necessary regulatory and Shareholder approvals required to complete the Acquisition, including approval of its Shareholders for:

- a change to the nature and scale of the Company's activities in accordance with ASX Listing Rule 11.1.2; and
- issuance and allotment of the Consideration Securities to the Lymex Shareholders;

(b) the consideration to be provided by the Company for the Acquisition comprises the Consideration Securities, being:

- **(Initial Consideration Shares)** 30,000,000 fully paid ordinary Shares in the Company (on a post Consolidation basis);
- **(Deferred Consideration Tranche 1 Shares)** 7,500,000 fully paid ordinary Shares in the Company (on a post Consolidation basis) to be issued upon the Company announcing to the ASX that at least 10 million tonnes in total of JORC Code compliant inferred graphite resources have been delineated and defined at the Tenements grading at no less than 8% total graphitic content and
- **(Deferred Consideration Tranche 2 Shares)** 7,500,000 fully paid ordinary Shares in the Company (on a post Consolidation basis) to be issued upon the Company announcing to the ASX that at least 10 million tonnes in total of JORC Code compliant

indicated graphite resources plus JORC Code compliant measured graphite resources have been delineated and defined at the Tenements grading at no less than 8% total graphitic content.

- **(Deferred Consideration Tranche 3 Shares)** 7,500,000 fully paid ordinary shares in the Company (on a post Consolidation basis) to be issued upon the Company announcing to the ASX that the Company has sold 50% of the Company's iron ore rights for at least \$10,000,000 (excluding GST) provided such sale and receipt of the sale proceeds occurs within 36 months of the date of the Company's listing on ASX. The Deferred Consideration Tranche 3 Shares are to be issued by the Company only after receipt (without deduction) of the sum of \$10,000,000 by the Company.
- (c) Following the Acquisition, the Company will have the exclusive right to explore for graphite, iron ore and base metal deposits within the Tenements and will have the right to mine and extract the graphite, iron ore and the base metals and to keep the entire proceeds of extraction.
- (d) Lymex Limited will have the right to appoint two (2) directors to the board of the Company, with the remaining two (2) positions to be filled by independent Directors to be appointed.

2.5 Impact of the Resolutions on the Company's Capital Structure

The capital structure of the Company following completion of the Acquisition (on a pre and post Consolidation basis) is set out below:

Shares

Teys Limited	Ordinary	Percentage
Indicative Share Structure on Acquisition of Lymex and Capital Raising	Shares	Shareholding
Existing Shares on Issue	271,278,809	68.27%
Conversion of \$100,000 of Convertible Notes (Resolution 2)	56,818,182	14.30%
Conversion of Loans from Directors and others (Resolution 5)	69,250,000	17.43%
Total Existing Shareholders	397,346,991	100.00%
Shares Post 1:72 Consolidation (Resolution 9)	5,518,708	15.54%
Lymex Shareholders (Initial Consideration) (Resolution 11)	30,000,000	84.46%
Total Shares Following Acquisition	35,518,708	100.00%
Subscribers to Prospectus (Minimum Subscription)	18,750,000	34.55%
Existing Teys Shareholders	5,518,708	10.17%
Lymex Shareholders	30,000,000	55.28%
Total Shares on Issue	54,268,708	100.00%
Subscribers to Prospectus (Maximum Subscription)	30,000,000	45.79%
Existing Teys Shareholders	5,518,708	8.42%
Lymex Shareholders	30,000,000	45.79%
Total Shares on Issue	65,518,708	100.00%

Tranche 1,2 and 3 Shares Issued to Lymex Shareholders (Resolutions 12, 13 and 14)	22,500,000	
Subscribers to Prospectus (Minimum Subscription)	18,750,000	24.42%
Existing Teys Shareholders	5,518,708	7.19%
Lymex Shareholders	52,500,000	68.39%
Total Shares if Tranche 1,2 and 3 are issued and Minimum Subscription	76,768,708	100.00%
Subscribers to Prospectus (Maximum Subscription)	30,000,000	34.08%
Existing Teys Shareholders	5,518,708	6.27%
Lymex Shareholders	52,500,000	59.65%
Total Shares if Tranche 1,2 and 3 are issued and Maximum Subscription	88,018,708	100.00%
Notes:		
1. Approximate figures. Totals may not add up due to rounding		
2. Details Capital Structure if minimum and maximum Amounts are subscribed for in the proposed Prospectus capital raising		

**Note – the Shares to be allotted and issued pursuant to Resolutions 12, 13 and 14 will only be allotted and issued on the achievement of the milestones required to be satisfied in order for the Deferred Consideration Tranche 1 Shares, Deferred Consideration Tranche 2 Shares and Deferred Consideration Tranche 3 Shares to be issued.*

2.6 Indicative timetable

The anticipated timetable for completion of the Acquisition is set out below. However, the Directors reserve the right to change any of the below dates without notice but subject to relevant laws:

Item	Estimated Date
Execution of Share Sale Agreement and Announcement of Acquisition	25 February 2014
Dispatch of Notice of General Meeting seeking approval of the Resolutions	20 June 2014
General Meeting to Approve Resolutions	21 July 2014
Lodgement of Prospectus with ASX and ASIC	22 July 2014
Offer Period	25 July 2014 to 8 August 2014
Dispatch of Holding Statements (following Consolidation and Capital Raising)	12 August 2014
Anticipated Date of Suspension of Trading being lifted And the Company's securities recommencing trading on ASX	14 August 2014

2.7 Impact of the Acquisition on the Company

The Acquisition will result in the Company owning 100% of Lymex Tenements, which will give the Company the right to explore for graphite, iron ore and base metals within the Tenements. The Acquisition will result in various advantages and disadvantages to the Company which Shareholders should consider prior to exercising their vote.

2.8 Advantages of the Acquisition

The Directors are of the view that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision as to how they vote on the Resolutions:

- (a) The Company does not currently have an operating business and accordingly is not generating value for the Company's Shareholders;
- (b) The new Directors being appointed to the Board of the Company in connection with the Acquisition will add valuable experience and skills which can help the Company to grow and develop;
- (c) the Acquisition represents a significant investment opportunity for the Company to transition the focus of its activities to graphite, iron ore and base metal exploration;
- (d) the Acquisition of potentially valuable mineral projects provides the Company with an opportunity, upon a successful exploration programme being achieved, to substantially increase the value of the Company; and
- (e) the Company may be able to raise further funds in the future at higher prices by way of share equity as a result of the Acquisition.

2.9 Disadvantages of the Acquisition

The following is a non-exhaustive list of potential disadvantages of the Acquisition that may be relevant to a Shareholder's decision as to how they vote on the Resolutions:

- (a) The Company's change of activities to become an exploration company may not be consistent with the objectives of all Shareholders;
- (b) The issue of the Consideration Securities and the Consolidation itself will have the effect of significantly diluting an existing Shareholder's shareholdings in the Company;
- (c) The Company will be required to invest significant funds in the exploration activities on the Tenements and to meet the relevant holding costs for the Tenements including rents and expenditure requirements;
- (d) There are risks associated with the Acquisition (as set out in item 2.10 below).

2.10 Risks of the Acquisition

Shareholders should be aware that if the Acquisition is approved, the Company will be changing the nature and scale of its activities to a graphite, iron ore and base metal exploration company, which will be subject to various risk factors. Based on available information, a non-exhaustive list of risk factors are as follows:

Re quotation of shares on ASX

The Acquisition constitutes a significant change in the nature and scale of the Company's activities. Accordingly, the Company needs to comply with Chapters 1 and 2 of the ASX Listing Rules as if it were seeking admission to the official list of the ASX for the first time.

There is a risk that the Company may not be able to meet the requirements of the ASX for re quotation of its shares. Should this occur, the Shares will not be able to be traded on the ASX until such time as those requirements can be met.

This is a risk for existing Shareholders who will continue to be prevented from trading their shares until such time as the Company does re comply with the ASX Listing Rules.

Contractual Risks

The ability of the Company to complete the Acquisition and achieve its objectives is dependent on the performance of Lymex Limited of its obligations under the Share Sale Agreement. If Lymex Limited defaults its performance of its obligations, the Share Sale Agreement may be terminated and it may be necessary for the Company to undertake legal proceedings to seek a legal remedy. Legal proceedings can be costly and there can be no guarantee that a legal remedy will ultimately be granted or could be enforced on appropriate terms.

Dilution Risk

On a post Consolidation basis, the Company will have 5,518,708 Shares on issue.

On completion of the Acquisition, the Company will issue a further 30,000,000 Shares to Lymex Shareholders, with the potential for the issue of further Shares to Lymex Shareholders as follows:

- 7,500,000 fully paid ordinary Shares in the Company to be issued to Lymex Shareholders in the Lymex Shareholders Proportions at a deemed issue price of \$0.20

per share (on a post Consolidation basis) upon the Company announcing to the ASX that at least 10 million tonnes in total of JORC Code compliant inferred graphite resources have been delineated and defined at the Tenements grading at no less than 8% total graphitic content and

- 7,500,000 ordinary fully paid shares in the Company to be issued to the Lymex Shareholders in the Lymex Shareholder's Proportions at a deemed issue price of \$0.20 per share (on a post Consolidation basis) upon the Company announcing to the ASX that at least 10 million tonnes in total of JORC Code compliant indicated graphite resources plus JORC Code compliant measured graphite resources have been delineated and defined at the Tenements grading at no less than 8% total graphitic content.
- 7,500,000 ordinary fully paid shares in the Company to be issued to the Lymex Shareholders in the Lymex Shareholders Proportions at a deemed issue price of \$0.20 per share (on a post Consolidation basis) upon the Company announcing to the ASX that the Company has sold 50% of the Company's iron ore rights for at least \$10,000,000 (excluding GST) provided such sale and receipt of the sale proceeds occurs within 36 months of the date of the Company's listing on ASX. The Shares are to be issued by the Company only after receipt (without deduction) of the sum of \$10,000,000 by the Company

If all of these Shares are issued, and 18,750,000 Shares are issued under the Capital Raising to raise \$3.75 million (and provided no other Shares are issued), then the holdings of current Shareholders in the Company will dilute to approximately 7.19% of the issued capital of the Company.

In addition, the holdings of existing Shareholders may be further diluted if additional funds are raised under the proposed capital raising or as a result of any future equity capital raisings required in order to develop the business and fund future exploration.

General Investment Risks

Some of the general risks of investment which are considered beyond the control of the Company are as follows:

(a) **The state of the Australian and international economies:**

A downturn in the Australian and/or the International economy may negatively impact the performance of the Company, which in turn may negatively impact the value of securities in the Company.

(b) **Changes to Government Policies and Legislative changes:**

Government policy and legislative changes which are outside the control of the Company may also have a negative impact on the financial performance of the Company.

(c) **Economic Risk and Price of Commodities**

The Company's share price will be influenced by the prevailing market prices from time to time of the resources that the Company is targeting in its exploration programmes.

The price of minerals is influenced by physical and investment demand for, and supply of, those resources. Fluctuations in these prices may influence individual projects in which the Company has an interest and as a result the price of the Company's shares.

In addition, commodities are generally sold throughout the world in US dollars so any fluctuations in the exchange rate between Australian and US dollars could adversely affect the Company's financial position, performance and prospects.

These factors may have an adverse effect on the Company's activities as well as its ability to finance future projects and activities.

(d) The Company's on-going funding requirements:

Further funding may be required by the Company in the future to undertake its exploration activities. If commercial quantities of minerals are discovered and the Company commences mining activities then further funding may also be required.

There is no guarantee that the Company will be able to raise the additional required funding on a timely basis, on favourable terms or that such further funding will be sufficient to enable the Company to implement its planned commercial strategy.

Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities.

If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or scale back its exploration programmes which may adversely affect the business and financial condition of the Company and the price of its securities.

(e) Resource estimates and targets

There are no JORC Code compliant resources currently defined on the Tenements.

If a resource is defined in the future, that resource estimate will be an expression of judgment based on knowledge, experience and industry practice. Often these estimates were appropriate when made but may change significantly when new information becomes available. Resource estimates are necessarily imprecise and depend to some extent on interpretations, which may ultimately prove to be inaccurate or require adjustment.

(f) Investment Speculative

Mining exploration and investment in companies that are focused on mining exploration and evaluation, is inherently risky and constitute a speculative investment.

The above list of risk factors is not exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the price of its securities.

Exploration and Development Risk Factors

The business of mineral exploration, project development and production involves inherent risks. Success depends on successful exploration appraisal, design and construction of efficient recovery and processing facilities, competent operational and managerial performance and efficient distribution and marketing services.

Exploration is a speculative endeavour and production operations can be hampered by engineering difficulties, cost overruns, inconsistent recovery rates and other unforeseen

events. The outcome of Company's exploration, project development and production programmes will affect the future performance of the Company and the price of its Shares.

If and when the Company commences production, the production may be curtailed or stopped for considerable periods of time owing to a range of factors such as disruptions to transport infrastructure, lack of market demand, government regulation, production allocations or force majeure events. These restrictions may continue for a considerable period of time resulting in a materially adverse effect on the operations and/or financial circumstances of the Company.

The exploration for and production of minerals involves certain operating hazards, such as:

- (a) failure and/or breakdown of equipment;
- (b) adverse geological, seismic and geotechnical conditions;
- (c) industrial accidents;
- (d) labour disputes;
- (e) pollution; and
- (f) other environmental hazards and risks.

The Company may also be liable for environmental damage caused as a result of its exploration and/or mining activities. As a result, substantial liabilities to third parties or governmental entities may be incurred, the payment of which could reduce or eliminate funds available for acquisitions, exploration and development or cause the Company to suffer losses.

Exploration, development and environmental factors which may affect the Company's financial position, prospects and the price of its listed securities are set out below.

(a) **Exploration Risks**

There are a number of risks associated with the mineral exploration activities to be carried out by the Company, including:

- The discovery and/or acquisition of economically recoverable reserves;
- Access to adequate capital for project development;
- Design and construction of efficient development and production infrastructure;
- Securing and maintaining title to interests;
- Obtaining consents and approvals necessary for the conduct of mineral exploration, development and production; and
- Access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants.

(b) **Development Risks**

If the Company does locate commercial reserves of minerals, then the future development of a mining operation will be subject to a number of risks, including:

- Geological and weather conditions that may cause delays and interference to operations;
- Obtaining all necessary approvals from relevant authorities and third parties;
- Technical and operational difficulties associated with mining of minerals and production activities;
- Access to necessary funding;
- Mechanical failure of plant and equipment;
- Shortages or increases in the price of consumables and plant and equipment;
- Environmental hazards, fires, explosions and other accidents;
- Transportation facilities;
- Costs overruns;
- The costs of extraction of the minerals being higher than expected.

There is no guarantee that the Company will achieve commercial viability through the development of its projects.

(c) Environmental Risks

The activities being undertaken by the Company are subject to wide ranging environmental laws and regulations. The Company will endeavour to comply at all times with all applicable laws and intends to conduct its activities in an environmentally responsible manner.

However, the existence of environmental legislation means that the Company may potentially face a liability risk relating to its activities and/or be restricted from engaging in certain exploration activity due to environmental legislation.

2.11 Plans for the Company if the Resolutions are not passed

If the Resolutions are not passed and the Acquisition is not completed, the Company will continue to manage its Existing Assets and will look for alternative opportunities for the Company.

Directors' Recommendation

The Directors of the Company unanimously recommend the Acquisition (and change in nature and scale of the Company's activities) and that Shareholders vote in favour of the proposed Resolutions.

It is the view of the Directors that the Acquisition will give the Company's Shareholders the opportunity to participate in a potentially significant exploration, evaluation and development programme in respect of the prospective graphite, iron ore and base metal projects at the Tenements.

Competent Person

The information in this Notice that relates to the Tenements was compiled by John Lynch who is a Fellow of the Australasian Institute of Mining and Metallurgy and Member of the Australia Institute of Geoscientists. John Lynch has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity to which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

Please note that John Lynch is also the Managing Director of Lymex Limited and the beneficial owner of 100% of the shares in Matamin Pty Ltd. By the Acquisition contemplated by this Notice of Meeting, Matamin Pty Ltd will acquire up to 57.68% of the issued share capital of the Company. Pursuant to the terms of the Share Sale Agreement, Matamin Pty Ltd will be entitled to receive 25,302,000 Initial Consideration Shares, 6,325,500 Deferred Consideration Tranche 1 Shares and 6,325,500 Deferred Consideration Tranche 2 Shares and 6,325,500 Deferred Consideration Tranche 3 Shares.

John Lynch consents to the inclusion in this notice of the matters based on the information in the form and context in which it appears.

3. DETAILS OF THE PROPOSALS

FINANCIAL STATEMENTS

Section 250R of the Corporations Act 2001 provides that the business of a General Meeting of a Company may include, among other matters, the consideration by the Members of the Annual Financial Report, Director's Report and Auditor's Report. Because the Company has not held an Annual General Meeting in 2013, these reports are presented to Shareholders at this meeting.

Under Section 317 of the Corporations Act, the Directors of a public company that is required to hold a general meeting must table the Annual Financial Report and Directors' and Auditor's reports of the Company for the previous financial year for discussion by the company's members at that general meeting.

Members have been provided with all relevant information concerning the Company's Annual Financial Report and the reports of the Directors and Auditor in the Annual Report of the Company for the year ended 30 June 2013. A copy of the Annual Report has been forwarded to each Shareholder. A copy of the Annual Financial Report and the reports of the Directors and Auditor will also be tabled at the Meeting.

Members should note that sole purpose of tabling the annual financial report of the Company at the General Meeting and those of the Directors and Auditor is to provide the Members with the opportunity to be able to ask questions or discuss matters arising from the annual financial report and the management of the Company at the Meeting. It is not the purpose of the Meeting, nor a requirement of the Corporations Act 2001 or the constitution of the Company that the financial statements be accepted, rejected or modified in any way.

All questions must be sent to the Company and may not be sent direct to the auditor. The Company will forward all questions to the auditor.

The auditor will be attending the Annual General Meeting and will be available to answer questions from Members relevant to:

- the conduct of the audit;
- the preparation and content of the auditor's report;
- the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- the independence of the auditor in relation to the conduct of the audit.

RESOLUTION 1: REMUNERATION REPORT

The Directors' report for the year ended 30 June 2013 contains a Remuneration Report. The Remuneration Report explains in detail the:

- remuneration policies adopted by the Board;
- links between the remuneration policies adopted by the Board and the performance of the Company;
- remuneration details for each Director; and
- different bases of remuneration paid to Non-Executive Directors and executive management.

The Corporations Act (section 250R(2)) requires that a resolution be put to a vote that the Remuneration Report be adopted. The Corporations Act expressly provides that the vote on the Remuneration Report is advisory only and does not bind the Company or its Directors.

The Directors consider that the salary and other benefits, which the Directors and employees of the Company may receive, are on commercial terms commensurate with the remuneration packages available to directors and employees, respectively, of public companies of a similar size and industry grouping to the Company.

Members attending the Annual General Meeting will be given a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

RESOLUTION 2: APPROVAL FOR THE ISSUE OF SHARES ON THE CONVERSION OF CONVERTIBLE NOTES

On 16 June 2011 the Company issued \$100,000 of Convertible Notes to various parties convertible into fully paid ordinary Shares following the approval of such conversion at a meeting to be called of the shareholders of the Company, the subject of this Notice of Meeting and Explanatory Memorandum, such shares to be issued at \$0.00176 (\$0.176 cents) per Share.

The Convertible Notes were issued for the purpose of providing working capital to Company and ultimately to facilitate the reinstatement of quotation of the Company's securities on ASX. The Board is now seeking Shareholder approval for the prior issue of the Convertible Notes and to allow the Company to convert the Convertible Notes through the issue of up to 56,818,182 fully paid ordinary Shares (on a Pre consolidation basis), (which will convert to 789,141 fully paid ordinary shares on a Post consolidation basis if all Resolutions are approved).

This part of this Explanatory Memorandum provides Members with all information known to the Company, which is material to the decision on how to vote on Resolution 2 and as required by Listing Rule 7.1.

Material terms of the Convertible Notes

Amount;	\$100,000
Term;	Until the approval of shareholders at the next shareholders meeting where approval for their conversion into fully paid ordinary shares will be sought
Default:	The following are the principal events of default: <ul style="list-style-type: none"> a. if an order is made for the winding up of the Company b. if the Company enters liquidation c. if the Company enters into any arrangement, reconstruction or composition with its creditors without the prior written consent of each holder of the Convertible Notes
Interest:	Nil
Conversion Date	within 1 month of the obtaining of the approval for the conversion of the convertible notes into fully paid ordinary shares
Conversion Rights:	at the discretion of the Company

Conversion Price:	\$0.00176 per fully paid ordinary share (on a Pre Consolidation basis)
Rights:	Shares to rank equally with all other fully paid ordinary Shares on issue
Redemption:	within 1 month of the holding of the next shareholders meeting called to approve the conversion of the convertible notes into fully paid ordinary shares.

ASX Listing Rule Requirements

(A) ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that an ASX listed Company must not, subject to certain exceptions, issue or agree to issue more than 15% of its capital within a 12 month period without the approval of shareholders.

By obtaining the prior approval of Shareholders to the issue of the Shares for the redemption of the Convertible Notes, the issue of those Shares will not count within the 15% limit under Listing Rule 7.1.

For the purposes of ASX Listing Rule 7.1, Resolution 2 seeks Shareholder approval for the issue of 56,818,182 fully paid ordinary Shares (on a Pre consolidation basis), (which will convert to 789,141 fully paid ordinary shares on a Post consolidation basis if all Resolutions are approved) Shares on the terms and conditions set out below.

(B) ASX Listing Rule 7.3

ASX Listing Rule 7.3 contains certain requirements as to the contents of a notice sent to Shareholders under Listing Rule 7.1 and the following information is included in this Explanatory Memorandum for that purpose:

The number of securities to be issued

The maximum number of securities to be issued is 56,818,182 (on a Pre consolidation basis) (which will convert to 789,141 fully paid ordinary shares on a Post consolidation basis if all Resolutions are approved)

The date by which the Company will issue the securities

The Convertible Notes are already on issue. The Shares will be issued within 1 month of the date of the Meeting

The issue price of securities

The Shares will be issued as consideration for the conversion of the Convertible Notes on issue in the Company. The Shares will be issued at a deemed issue price of \$0.00176 per Share (on a Pre consolidation basis) (which will convert to 789,141 fully paid ordinary shares on a Post consolidation basis if all Resolutions are approved)

The names of the Allottees (if known):

The Shares will be issued to the current holders of the Convertible Notes in the proportions noted in Annexure B attached to this Notice of Meeting.

The terms of the securities

The Shares to be issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing ordinary shares

The intended use of funds raised

No funds will be raised from the issue as the Shares will be issued as consideration for the conversion of the Convertible Notes, which have already been issued;

(C) ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires Shareholder approval to be obtained where a company issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

Certain of the Convertible Note Holders are entities controlled by persons who are related parties of the Company namely Constantine Scrinis and Gregory Wood who are currently Directors of the Company.

Pursuant to section 228(6) of the Corporations Act, an entity is a related party of a public company at a particular time if the entity believes or has reasonable grounds to believe that it is likely to become a related party at any time in the future.

As the entities associated with Constantine Scrinis and Gregory Wood are related parties by reason of them being Directors of the Company separate Shareholder approval under ASX Listing Rule 10.11 for the issue of the securities is required which is being sought in Resolutions 3 and 4.

(D) Section 208 of the Corporations Act

Pursuant to Section 208 of the Corporations Act, if a public company gives a financial benefit to a related party, the company must obtain shareholder approval.

The issue of securities in a company can constitute a financial benefit for the purposes of section 208 of the Corporations Act.

However, the Board considers that the proposed issue of shares to entities associated with Constantine Scrinis and Gregory Wood falls within the exception in Section 210 of the Corporations Act because the Convertible Note Agreement under which the Securities were issued was negotiated on arm's length terms. Furthermore, the terms of the issue are on the same terms as the Securities were issued to unrelated Convertible Note Holders.

Voting exclusion statement

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

The passing of Resolution 2 is conditional upon, and subject to, all Resolutions being passed by Shareholders. Therefore, if you wish to vote in favour of Resolution 2, you should also vote in favour of all other Resolutions.

Directors' Recommendation

The Directors approved the proposal to put Resolution 2 and this part of this Explanatory Memorandum to the Members.

The Directors recommend that Members vote in favour of Resolution 2 in order to ensure the provision of adequate financing for the Company, enable the reinstatement of quotation of the securities of the Company on ASX and enable the growth, both organic and via acquisition, of the Company.

The Board believes that the ability to elect whether to issue shares or to pay the cash settlement amount is beneficial for the Company. The Board recommends that Members vote in favour of Resolution 2, as it allows the Company flexibility in relation to its future capital structuring alternatives and, in particular, allows the Company to retain control over its use of cash reserves and its gearing strategies.

RESOLUTION 3: APPROVAL FOR THE ISSUE OF SHARES TO A DIRECTOR RELATED ENTITY ON THE CONVERSION OF CONVERTIBLE NOTES

Listing Rule 10.11 prohibits the issue of securities to a Director, or a Director related entity without Shareholder approval with certain exceptions, which don't apply in this case.

Boom Capital Pty Ltd, which is a Company associated with Mr. Constantine Scrinis, a Director of the Company, was one of the parties issued Convertible Notes by the Company (as referred to in Resolution 2 above) on 16 June 2011.

Approval is therefore required under Listing Rule 10.11 for Boom Capital Pty Ltd to participate in the conversion of the Convertible Notes into Shares in the Company on the same basis as the conversion of the Convertible Notes by other non-related Convertible Note Holders.

Accordingly Resolution 3 seeks Shareholder approval for the prior issue of the Convertible Notes to Boom Capital Pty Ltd and to allow the Company to convert the Convertible Notes into Shares in the Company, through the issue of up to 4,024,432 fully paid ordinary Shares (on a Pre consolidation basis) of the 56,818,182 Shares to be issued under Resolution 2, which will convert to 55,894 fully paid ordinary shares on a Post consolidation basis of the 789,141 Shares to be issued under Resolution 2, if all Resolutions are approved.

ASX Listing Rule 10.11 contains certain requirements as to the contents of a notice sent to Shareholders and the following information is included in this Explanatory Memorandum for that purpose:

The name of the person or entity to whom the securities are to be issued

Boom Capital Pty Ltd (a company associated with Director Mr. Constantine Scrinis)

The number of securities to be issued

The maximum number of securities to be issued is 4,024,432 (on a Pre consolidation basis) (which will convert to 55,894 fully paid ordinary shares on a Post consolidation basis if all Resolutions are approved)

The date by which the Company will issue the securities

The Shares will be issued within 1 month of the date of the Meeting

The issue price of securities

The Shares will be issued as consideration for the conversion of \$7,083 of Convertible Notes on issue in the Company held by Boom Capital Pty Ltd. The 4,024,432 Shares will be issued at a deemed issue price of \$0.00176 per Share (on a Pre consolidation basis) (which will convert

to 55,894 fully paid ordinary shares on a Post consolidation basis if all Resolutions are approved)

The terms of the securities

The Shares to be issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing ordinary shares

The intended use of funds raised

No funds will be raised from the issue as the Shares will be issued as consideration for the conversion of the Convertible Notes held by Boom Capital Pty Ltd, which have already been issued;

RESOLUTION 4: APPROVAL FOR THE ISSUE OF SHARES TO A DIRECTOR RELATED ENTITY ON THE CONVERSION OF CONVERTIBLE NOTES

Listing Rule 10.11 prohibits the issue of securities to a Director, or a Director related entity without Shareholder approval with certain exceptions, which don't apply in this case.

B2B Holdings Pty Ltd, which is a Company associated with Mr. Gregory Wood, a Director of the Company, was one of the parties issued Convertible Notes by the Company (as referred to in Resolution 2 above) on 16 June 2011.

Approval is therefore required under Listing Rule 10.11 for B2B Holdings Pty Ltd to participate in the conversion of the Convertible Notes into Shares in the Company on the same basis as the conversion of the Convertible Notes by other non-related Convertible Note Holders.

Accordingly Resolution 4 seeks Shareholder approval for the prior issue of the Convertible Notes to B2B Holdings Pty Ltd and to allow the Company to convert the Convertible Notes into Shares in the Company, through the issue of up to 4,024,432 fully paid ordinary Shares (on a Pre consolidation basis), of the 56,818,182 Shares to be issued under Resolution 2, which will convert to 55,894 fully paid ordinary shares on a Post consolidation basis, of the 789,141 Shares to be issued under Resolution 2 if all Resolutions are approved.

ASX Listing Rule 10.11 contains certain requirements as to the contents of a notice sent to Shareholders and the following information is included in this Explanatory Memorandum for that purpose:

The name of the person or entity to whom the securities are to be issued

B2B Holdings Pty Ltd (a company associated with Director Mr. Gregory Wood)

The number of securities to be issued

The maximum number of securities to be issued is 4,024,432 (on a Pre consolidation basis) (which will convert to 55,894 fully paid ordinary shares on a Post consolidation basis if all Resolutions are approved)

The date by which the Company will issue the securities

The Shares will be issued within 1 month of the date of the Meeting

The issue price of securities

The Shares will be issued as consideration for the conversion of \$7,083 of Convertible Notes on issue in the Company held by B2B Holdings Pty Ltd. The 4,024,432 Shares will be issued at a deemed issue price of \$0.00176 per Share (on a Pre consolidation basis) (which will convert to 55,894 fully paid ordinary shares on a Post consolidation basis if all Resolutions are approved)

The terms of the securities

The Shares to be issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing ordinary shares

The intended use of funds raised

No funds will be raised from the issue as the Shares will be issued as consideration for the conversion of the Convertible Notes held by B2B Holdings Pty Ltd, which have already been issued;

RESOLUTION 5: APPROVAL FOR THE ISSUE OF SHARES

During 2013 and early 2014 the Company borrowed money and had services performed on its behalf for which it has not yet paid, to the value of \$192,361 from various parties. Those parties have now agreed to the repayment of those loans and payment for those services through the issue of fully paid ordinary Shares in the Company. Accordingly Shareholders approval is being sought at the meeting the subject of the Notice of Meeting and Explanatory Memorandum for such repayment of the loans made and services provided to the Company through the issue of Shares in the Company, such shares to be issued at \$0.00278 (\$0.278 cents) per Share being the same price at which shares are to be issued on conversion of the Convertible Notes the subject of Resolution 2.

The loans were issued and the services performed for the purpose of providing working capital to Company and to facilitate the reinstatement of quotation of the Company's securities on ASX. The Board is now seeking Shareholder approval to allow the Company to repay the loans and pay for the services through the issue of up to 69,250,000 fully paid ordinary Shares (on a Pre consolidation basis), (which will convert to 961,806 fully paid ordinary shares on a Post consolidation basis if all Resolutions are approved).

This part of this Explanatory Memorandum provides Members with all information known to the Company, which is material to the decision on how to vote on Resolution 3 and as required by Listing Rule 7.1.

Material terms of the Loan

Amount;	\$192,361
Term;	Until payment or the approval of shareholders is obtained at a shareholders meeting for the payment of the loan and for the services through the issue of fully paid ordinary shares in the Company
Default:	The following are the principal events of default: <ul style="list-style-type: none">a. if an order is made for the winding up of the Companyb. if the Company enters liquidation

- c. if the Company enters into any arrangement, reconstruction or composition with its creditors without the prior written consent of each holder of the Convertible Notes

Interest: Nil

Repayment Date following the approval of shareholders to enter into a transaction and capital raising for the purpose of seeking a re-listing of the Company's shares on ASX

Repayment Rights: at the discretion of the Lender and service provider

Conversion Price: \$0.00278 per fully paid ordinary share (on a Pre Consolidation basis)

Rights: Shares to rank equally with all other fully paid ordinary Shares on issue

ASX Listing Rule Requirements

(A) ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that an ASX listed Company must not, subject to certain exceptions, issue or agree to issue more than 15% of its capital within a 12 month period without the approval of shareholders.

By obtaining the prior approval of Shareholders to the issue of the Shares for the repayment of loans made to the Company, the issue of those Shares will not count within the 15% limit under Listing Rule 7.1.

For the purposes of ASX Listing Rule 7.1, Resolution 5 seeks Shareholder approval for the issue of 69,250,000 fully paid ordinary Shares (on a Pre consolidation basis), (which will convert to 961,806 fully paid ordinary shares on a Post consolidation basis if all Resolutions are approved) Shares on the terms and conditions set out below.

(B) ASX Listing Rule 7.3

ASX Listing Rule 7.3 contains certain requirements as to the contents of a notice sent to Shareholders under Listing Rule 7.1 and the following information is included in this Explanatory Memorandum for that purpose:

The number of securities to be issued

The maximum number of securities to be issued is 69,250,000 (on a Pre consolidation basis) (which will convert to 961,806, 028 fully paid ordinary shares on a Post consolidation basis if all Resolutions are approved)

The date by which the Company will issue the securities

The Shares will be issued within 1 month of the date of the Meeting if all Resolutions are approved by Shareholders

The issue price of securities

The Shares will be issued in repayment of the loans made and services provided to the Company. The 69,250,000 Shares will be issued at a deemed issue price of \$0.00176 per Share (on a Pre consolidation basis) (which will convert to 961,806 fully paid ordinary shares in the Company on a Post consolidation basis if all Resolutions are approved)

The names of the Allottees (if known):

The Shares will be issued to the parties who advanced the loan funds or provided the services to the Company in the proportions noted in Annexure B attached to this Notice of Meeting.

The terms of the securities

The Shares to be issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing fully paid ordinary shares.

The intended use of funds raised

No funds will be raised from the issue as the Shares will be issued as consideration for the repayment of loans and provision of services, which have already been made and provided;

(C) ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires Shareholder approval to be obtained where a company issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

Certain of the loan funds were advanced by entities controlled by persons who are related parties of the Company namely Constantine Scrinis and Gregory Wood who are currently Directors of the Company.

Pursuant to section 228(6) of the Corporations Act, an entity is a related party of a public company at a particular time if the entity believes or has reasonable grounds to believe that it is likely to become a related party at any time in the future.

As the entities associated with Constantine Scrinis and Gregory Wood are related parties by reason of them being Directors of the Company separate Shareholder approval under ASX Listing Rule 10.11 for the issue of the securities is required which is being sought in Resolutions 6,7 and 8 below.

(D) Section 208 of the Corporations Act

Pursuant to Section 208 of the Corporations Act, if a public company gives a financial benefit to a related party, the company must obtain shareholder approval.

The issue of securities in a company can constitute a financial benefit for the purposes of section 208 of the Corporations Act.

However, the Board considers that the proposed issue of shares to entities associated with Constantine Scrinis and Gregory Wood falls within the exception in Section 210 of the Corporations Act because the Loan was negotiated on arm's length terms. Furthermore, the terms of the issue are on the same terms as the Securities are to be issued to the unrelated Convertible Note Holders pursuant to Resolution 2.

Voting exclusion statement

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

The passing of Resolution 3 is conditional upon, and subject to, all Resolutions being passed by Shareholders. Therefore, if you wish to vote in favour of Resolution 3, you should also vote in favour of all other Resolutions.

Directors' Recommendation

The Directors approved the proposal to put Resolution 5 and this part of this Explanatory Memorandum to the Members.

The Directors recommend that Members vote in favour of Resolution 5 in order to ensure the provision of adequate financing for the Company and to enable the reinstatement of quotation of the securities of the Company on ASX.

The Board believes that the ability to issue shares rather than repay the loan or pay for the services in cash is beneficial for the Company. The Board recommends that Shareholders vote in favour of Resolution 5, as it allows the Company to preserve its cash reserves.

RESOLUTION 6: APPROVAL FOR THE ISSUE OF SHARES TO A DIRECTOR RELATED ENTITY ON THE CONVERSION OF CONVERTIBLE NOTES

Listing Rule 10.11 prohibits the issue of securities to a Director, or a Director related entity without Shareholder approval with certain exceptions, which don't apply in this case.

Boom Capital Pty Ltd, which is a Company associated with Mr. Constantine Scrinis, a Director of the Company, was one of the parties who lent money or provided services to the Company (as referred to in Resolution 5 above).

Approval is therefore required under Listing Rule 10.11 for Boom Capital Pty Ltd to participate in the issue of Shares in the Company on the same basis as the other parties who lent money or provided services to the Company.

Resolution 6 seeks Shareholder approval to allow the Company to repay the loan and pay for the services provided by Boom Capital Pty Ltd through the issue of up to 60,629,800 fully paid ordinary Shares (on a Pre consolidation basis), which will convert to 842,080 fully paid ordinary shares on a Post consolidation basis if all Resolutions are approved.

ASX Listing Rule 10.11 contains certain requirements as to the contents of a notice sent to Shareholders and the following information is included in this Explanatory Memorandum for that purpose:

The name of the person or entity to whom the securities are to be issued

Boom Capital Pty Ltd (a company associated with Director Mr. Constantine Scrinis)

The number of securities to be issued

The maximum number of securities to be issued is 60,629,800 (on a Pre consolidation basis) (which will convert to 842,080 fully paid ordinary shares on a Post consolidation basis if all Resolutions are approved)

The date by which the Company will issue the securities

The Shares will be issued within 1 month of the date of the Meeting

The issue price of securities

The 60,629,800 Shares will be issued at a deemed issue price of \$0.00278 per Share (on a Pre consolidation basis) (which will convert to 842,080 fully paid ordinary shares on a Post consolidation basis if all Resolutions are approved)

The terms of the securities

The Shares to be issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing ordinary shares

The intended use of funds raised

No funds will be raised from the issue as the Shares will be issued as consideration for the repayment of loans and the provision of services already provided by Boom Capital Pty Ltd, to the Company.

RESOLUTION 7: APPROVAL FOR THE ISSUE OF SHARES TO A DIRECTOR RELATED ENTITY ON THE CONVERSION OF CONVERTIBLE NOTES

Listing Rule 10.11 prohibits the issue of securities to a Director, or a Director related entity without Shareholder approval with certain exceptions, which don't apply in this case.

B2B Holdings Pty Ltd, which is a Company associated with Mr. Gregory wood, a Director of the Company, was one of the parties who lent money or provided services to the Company (as referred to in Resolution 5 above).

Approval is therefore required under Listing Rule 10.11 for B2B Holdings Pty Ltd to participate in the issue of Shares in the Company on the same basis as the other parties who lent money or provided services to the Company.

Resolution 7 seeks Shareholder approval to allow the Company to repay the loan or pay for the services through the issue of up to 3,670,200 fully paid ordinary Shares (on a Pre consolidation basis), which will convert to 50,975 fully paid ordinary shares on a Post consolidation basis if all Resolutions are approved

ASX Listing Rule 10.11 contains certain requirements as to the contents of a notice sent to Shareholders and the following information is included in this Explanatory Memorandum for that purpose:

The name of the person or entity to whom the securities are to be issued

B2B Holdings Pty Ltd (a company associated with Director Mr. Gregory Wood)

The number of securities to be issued

The maximum number of securities to be issued is 3,670,200 (on a Pre consolidation basis) (which will convert to 50,975 fully paid ordinary shares on a Post consolidation basis if all Resolutions are approved)

The date by which the Company will issue the securities

The Shares will be issued within 1 month of the date of the Meeting

The issue price of securities

The 3,670,200 Shares will be issued at a deemed issue price of \$0.00278 per Share (on a Pre consolidation basis) (which will convert to 50,975 fully paid ordinary shares on a Post consolidation basis if all Resolutions are approved)

The terms of the securities

The Shares to be issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing ordinary shares

The intended use of funds raised

No funds will be raised from the issue as the Shares will be issued as consideration for the repayment of loans already provided by B2B Holdings Pty Ltd, to the Company.

RESOLUTION 8: APPROVAL FOR THE ISSUE OF SHARES TO A DIRECTOR RELATED ENTITY ON THE CONVERSION OF CONVERTIBLE NOTES

Listing Rule 10.11 prohibits the issue of securities to a Director, or a Director related entity without Shareholder approval with certain exceptions, which don't apply in this case.

Mr. Hemant Amin, a Director of the Company, was one of the parties who lent money or provided services to the Company (as referred to in Resolution 5 above).

Approval is therefore required under Listing Rule 10.11 for Mr. Hemant to participate in the issue of Shares in the Company on the same basis as the other parties who lent money or provided services to the Company.

Resolution 8 seeks Shareholder approval to allow the Company to repay the loan or pay for the services through the issue of up to 4,950,000 fully paid ordinary Shares (on a Pre consolidation basis), which will convert to 68,750 fully paid ordinary shares on a Post consolidation basis if all Resolutions are approved.

ASX Listing Rule 10.11 contains certain requirements as to the contents of a notice sent to Shareholders and the following information is included in this Explanatory Memorandum for that purpose:

The name of the person or entity to whom the securities are to be issued

Mr. Hemant Amin (a Director of the Company)

The number of securities to be issued

The maximum number of securities to be issued is 4,950,000 (on a Pre consolidation basis) (which will convert to 68,750 fully paid ordinary shares on a Post consolidation basis if all Resolutions are approved)

The date by which the Company will issue the securities

The Shares will be issued within 1 month of the date of the Meeting

The issue price of securities

The 4,950,000 Shares will be issued at a deemed issue price of \$0.00278 per Share (on a Pre consolidation basis) (which will convert to 68,750 fully paid ordinary shares on a Post consolidation basis if all Resolutions are approved)

The terms of the securities

The Shares to be issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing ordinary shares

The intended use of funds raised

No funds will be raised from the issue as the Shares will be issued as consideration for the prior provision of services by Mr. Hemant Amin;

RESOLUTION 9: CONSOLIDATION OF CAPITAL

The Directors are seeking Shareholder approval to consolidate the number of Shares on issue on a 72:1 basis.

Accordingly the number of Shares that will be on issue in the Company, provided that Shareholders approve Resolutions 2 and 3, will be reduced from 397,346,991 to 5,518,708. There will be no amount unpaid on any of the Company's Shares on issue and there will be no outstanding Convertible Notes in the Company.

The Consolidation will alter the capital structure of the Company to ensure that it complies with the admission requirements of the ASX.

Section 254H of the Corporations Act provides that a company may, by a resolution passed in a general meeting of shareholders, convert all or any of its shares into a larger or smaller number of shares.

As from the effective date of this Resolution (being the date advised to the ASX which will be 7 days from the date of approval of the Resolution 9), all holding statements for Shares will cease to have effect, except as evidence of entitlement to a certain number of post Consolidation Shares.

After the Consolidation becomes effective, the Company will arrange for new holding statements to be issued to Shareholders.

The effect of the Acquisition and all of the other Resolutions contained within this Notice will have on the capital structure of the Company is as set out above.

Fractional entitlements and taxation

Not all Shareholders will hold that number of Shares, which can evenly be divided by 72. Where a fractional entitlement occurs, the Directors will round that fraction up to the nearest whole Share.

It is not considered that any taxation consequences will exist for Shareholders arising from the Consolidation. However, Shareholders are advised to seek their own independent tax advice on the Consolidation and neither the Company nor the Directors (nor the Company's advisors) accept any responsibility for the individual taxation consequences arising from the Consolidation.

The passing of Resolution 9 is conditional upon, and subject to, all other Resolutions being passed by Shareholders. Therefore, if you wish to vote in favour of Resolution 9, you should also vote in favour of all of the other Resolutions.

Directors Recommendations

The Directors do not have any material interest in the outcome of Resolution 9 other than as a result of their interest arising solely in the capacity of Shareholders of the Company.

Each of the Directors intends to vote their Shares in favour of Resolution 9.

RESOLUTION 10: – APPROVAL OF CHANGE IN NATURE AND SCALE OF ACTIVITIES

Resolution 10 seeks approval from Shareholders for a change in the nature and scale of the activities of the Company. The proposed Acquisition constitutes a significant change in the nature and scale of the Company's activities, from managing the existing assets to graphite, iron ore and base metals exploration, and consequently requires Shareholder approval pursuant to ASX Listing Rule 11.1.

Assuming Shareholders approve Resolution 10, the Company must comply with Chapters 1 and 2 of the ASX Listing Rules.

ASX Listing Rule 11.1 provides that where an entity proposes to make a significant change, either directly or indirectly, to the nature or scale of its activities, it must provide full details to ASX as soon as practicable. ASX Listing Rule 11.1.2 provides that, if ASX requires, the entity must get the approval of Shareholders and must comply with any requirements of ASX in relation to the notice of meeting.

For this reason, the Company is seeking Shareholder approval to make a significant change to the nature and scale of its activities under ASX Listing Rule 11.1. Assuming Shareholders approve Resolution 10, ASX also requires the Company to re-comply with Chapters 1 and 2 of the ASX Listing Rules in accordance with ASX Listing Rule 11.1.3.

The Company is preparing a prospectus, as required by the ASX Listing Rules, to provide information about the Company, Acquisition and the Tenements, and this will be lodged with ASIC before the Meeting as set out in the indicative timetable at the front of this Notice of Meeting.

If Resolution 10 is passed, the Company will have obtained, in compliance with Listing Rule 11.1.2, Shareholder approval for the change in the nature and scale of its activities to the extent described in this Explanatory Memorandum.

If Resolution 10 is not passed, the Company will not be permitted to change the nature and scale of its activities and the Acquisition will not proceed.

The passing of Resolution 10 is conditional upon, and subject to, all Resolutions being passed by Shareholders. Therefore, if you wish to vote in favour of Resolution 10, you should also vote in favour of all other Resolutions.

RESOLUTION 11: APPROVAL FOR THE ISSUE OF THE INITIAL CONSIDERATION SHARES TO THE LYMEX SHAREHOLDERS IN CONSIDERATION FOR THE ACQUISITION OF LYMEX TENEMENTS PTY LTD

Background

In consideration for the acquisition of 100% of the issued capital of Lymex Tenements from the Lymex Shareholders, the Company has agreed to issue to the Lymex Shareholders the Consideration Securities, which includes the Initial Consideration Shares of 30,000,000 fully paid ordinary shares in the Company (on a post Consolidation basis) of which 25,302,224 are the subject of item 7 Section 611 and 4,697,776 are the subject of ASX Listing Rule 7.1

(A) ASX Listing Rules Approval: ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that an ASX listed Company must not, subject to certain exceptions, issue or agree to issue more than 15% of its capital within a 12 month period without the approval of shareholders.

By obtaining the prior approval of Shareholders to the issue of the Initial Consideration Shares, the issue of those Shares will not count within the 15% limit under Listing Rule 7.1.

For the purposes of ASX Listing Rule 7.1, Resolution 5 seeks Shareholder approval for the issue of 4,697,444 Shares on the terms and conditions set out below.

(B) ASX Listing Rule 7.3

Listing Rule 7.3 contains certain requirements as to the contents of a notice sent to Shareholders for the purposes of Listing Rule 7.1 and the following information is included in this Explanatory Memorandum for that purpose:

The number of securities to be issued

The maximum number of securities to be issued is 4,697,444 Shares.

The date by which the Company will issue the securities

The Shares will be issued no later than 3 months after the date of this Meeting.

The issue price of the securities

The Shares will be issued as part consideration for the acquisition of 100% of the issued capital of Lymex Tenements Pty Ltd pursuant to the Share Sale Agreement entered into between the Company and Lymex Limited on 25 February 2014. The Shares will be issued at a deemed issue price of \$0.20 per Share.

The names of the allottees of the securities

The Shares will be issued to Lymex Shareholders in the proportions noted in Annexure A attached to this Notice of Meeting

The terms of the securities

The Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing ordinary shares.

The intended use of funds raised

No funds will be raised from the issue as the shares will be issued as consideration for the acquisition of 100% of the issued share capital of Lymex Tenements Pty Ltd.

Dates of allotment

Allotment of the shares is subject to completion of the Acquisition of Lymex Tenements and the issue and allotment of the Shares will occur contemporaneously with the Acquisition.

It is intended that the Shares will be issued no later than 3 months after the date of this Meeting.

(C) ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires Shareholder approval to be obtained where a company issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

Certain Lymex Shareholders are entities controlled by persons nominated by Lymex Limited to be appointed to the Board of the Company on completion of the Acquisition, namely John Lynch, and Graham White.

Pursuant to section 228(6) of the Corporations Act, an entity is a related party of a public company at a particular time if the entity believes or has reasonable grounds to believe that it is likely to become a related party at any time in the future.

As the entities associated with John Lynch and Graham White are related parties by reason only of the Acquisition transaction which is the reason for the issue of securities to them, separate Shareholder approval under ASX Listing Rule 10.11 for the issue of the securities is not required as ASX Listing Rule 10.12 exception 6 applies.

(D) ASX Listing Rule 10.1

ASX Listing Rule 10.1 also requires Shareholder approval to be obtained where a company acquires a substantial asset from a related party. However, ASX Listing Rule 10.3 provides that ASX Listing Rule 10.1 does not apply in circumstances of a transaction between a company and a person who is a related party by reason only of the transaction and the application of section 228(6) of the Corporations Act.

As Matamin Pty Ltd, who is selling shares equal to approximately 84.34% of Lymex Tenements to the Company, is only a related party by virtue of this Acquisition transaction and the impending future appointment of John Lynch as a director of the Company, the exception under ASX Listing Rule 10.3 to the application of ASX Listing Rule 10.1 applies.

(E) Section 208 of the Corporations Act

Pursuant to Section 208 of the Corporations Act, if a public company gives a financial benefit to a related party, the company must obtain shareholder approval.

The issue of securities in a company can constitute a financial benefit for the purposes of section 208 of the Corporations Act.

However, the Board considers that the proposed issue of shares to entities associated with John Lynch and Graham White falls within the exception in Section 210 of the Corporations Act because the Share Sale Agreement under which the Consideration Securities were agreed to be issued was negotiated on arm's length terms. Furthermore, the terms of the issue are on the same terms as Consideration Securities have been agreed to be issued to unrelated Lymex Shareholders.

Voting exclusion statement

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

The passing of Resolution 11 is conditional upon, and subject to, all Resolutions being passed by Shareholders. Therefore, if you wish to vote in favour of Resolution 11, you should also vote in favour of all other Resolutions.

Directors Recommendations

The Directors do not have any material interest in the outcome of Resolution 11 other than as a result of their interest arising solely in the capacity of Shareholders of the Company. Each of the Directors intends to vote their Shares in favour of Resolution 11.

Based on the information available, all of the Directors consider that the proposed acquisition of 100% of the issued shares in Lymex Tenements, and the resulting share issue to the Lymex Shareholders is in the best interests of the Company and recommend that Shareholders vote in favour of Resolution 11.

The Directors have unanimously approved the proposal to put Resolution 11 to Shareholders.

RESOLUTION 12: APPROVAL OF THE ISSUE OF THE DEFERRED CONSIDERATION TRANCHE 1 SHARES TO THE LYMEX SHAREHOLDERS IN CONSIDERATION OF THE ACQUISITION OF LYMEX TENEMENTS PTY LTD

Background

In consideration for the acquisition of 100% of the issued capital of Lymex Tenements from Lymex Ltd, the Company has agreed to issue 7,500,000 ordinary fully paid shares in the Company (on a post Consolidation basis) of which 6,325,556 are the subject of item 7 Section 611 and 1,174,444 are the subject of ASX Listing Rule 7.1, to be issued upon the Company announcing to the ASX that at least 10 million tonnes in total of JORC Code compliant inferred graphite resources have been delineated and defined at the Tenements grading at no less than 8% total graphitic content

(A) ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a listed Company must not, subject to certain exceptions, issue or agree to issue more than 15% of its capital within a 12 month period without the approval of shareholders.

By obtaining the prior approval of the Shareholders to the issue of the Deferred Consideration Tranche 1 Shares, the issue of those Shares will not count within the 15% limit under Listing Rule 7.1.

For the purposes of ASX Listing Rule 7.1, Resolution 12 seeks Shareholder approval for the issue of 1,174,444 Shares on the terms and conditions set out below.

(B) ASX Listing Rule 7.3

Listing Rule 7.3 contains certain requirements as to the contents of a notice sent to Shareholders for the purposes of Listing Rule 7.1 and the following information is included in this Explanatory Memorandum for that purpose:

The number of securities to be issued

The number of securities to be issued is 1,174,444 Shares.

The date by which the Company will issue the securities

The Shares will be issued within 7 days following the Company releasing an ASX Announcement to confirm that JORC Code compliant inferred graphite resources of at least 10 million tonnes have been defined at the Tenements at no less than 8% graphite content.

Pursuant to ASX Listing Rule 7.3.2, the Deferred Consideration Tranche 1 Shares the subject of Resolution 7 must be issued within three (3) months from the date of the Shareholder approval.

ASX granted the Company a waiver from ASX Listing Rule 7.3.2 on 24 April 2014. The Waiver has been issued by ASX subject to certain conditions, including the following:

- 1.1. That the Notice of Meeting sets out in detail the milestones, which must be satisfied prior to the issue of the Deferred Consideration Securities.
- 1.2. That the milestones which must be satisfied for the Deferred Consideration Securities to be issued are not to be varied.
- 1.3. That for any annual reporting period during which any of the Deferred Consideration Securities have been issued or remain to be issued, the Company's annual report must set out in detail the number of Deferred Consideration Securities issued in that annual reporting period, and the number of Deferred Consideration Securities that remain to be issued, and the basis on which those securities may be issued.
- 1.4. That for any half year or quarter year report during which any of the Deferred Consideration Securities have been issued or remain to be issued, the Company's interim report and quarterly activities report must include a summary statement of the number of Deferred Consideration Securities issued during the reporting period, and the number of Deferred Consideration Securities that remain to be issued, and the basis on which those securities may be issued.
- 1.5. That the Deferred Consideration Securities must be issued no later than 60 months from the date of the Company's meeting to approve the issue of the Deferred Consideration Securities.

The issue price of the securities

The Shares will be issued for nil issue price and are issued as part consideration for the acquisition of 100% of the issued capital of Lymex Tenements pursuant to the Share Sale Agreement entered into between the Company and Lymex Limited.

The names of the allottees of the securities

The Shares will be issued to Lymex Shareholders in the proportions set out in Annexure A attached to this Notice of Meeting.

The terms of the securities

The Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing ordinary shares.

The use of funds raised

No funds will be raised from the issue of the Shares.

(C) ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires Shareholder approval to be obtained where a company issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

Certain Lymex Shareholders are entities controlled by persons nominated by Lymex Limited to be appointed to the Board of the Company on completion of the Acquisition, namely John Lynch, and Graham White.

Pursuant to section 228(6) of the Corporations Act, an entity is a related party of a public company at a particular time if the entity believes or has reasonable grounds to believe that it is likely to become a related party at any time in the future.

As the entities associated with John Lynch and Graham White are related parties by reason only of the Acquisition transaction which is the reason for the issue of securities to them, separate Shareholder approval under ASX Listing Rule 10.11 for the issue of the securities is not required as ASX Listing Rule 10.12 exception 6 applies.

(D) ASX Listing Rule 10.1

ASX Listing Rule 10.1 also requires Shareholder approval to be obtained where a company acquires a substantial asset from a related party. However, ASX Listing Rule 10.3 provides that ASX Listing Rule 10.1 does not apply in circumstances of a transaction between a company and a person who is a related party by reason only of the transaction and the application of section 228(6) of the Corporations Act.

As Matamin Pty Ltd, who is selling shares equal to approximately 84.34% of Lymex Tenements to the Company, is only a related party by virtue of this Acquisition transaction and the impending future appointment of John Lynch as a director of the Company, the exception under ASX Listing Rule 10.3 to the application of ASX Listing Rule 10.1 applies.

(E) Section 208 of the Corporations Act

For the reasons noted above in this Notice of Meeting, the Board considers that Shareholder approval under section 208 of the Corporations Act is not required for the issue of the Deferred Consideration Tranche 1 Shares to the Lymex Shareholders.

Voting exclusion statement

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

The passing of Resolution 12 is conditional upon, and subject to, all Resolutions being passed by Shareholders. Therefore, if you wish to vote in favour of Resolution 12, you should also vote in favour of all Resolutions.

Directors Recommendations

The Directors do not have any material interest in the outcome of Resolution 12 other than as a result of their interest arising solely in the capacity of Shareholders of the Company.

Each of the Directors intends to vote their Shares in favour of Resolution 12.

**RESOLUTION 13: APPROVAL OF THE ISSUE OF THE DEFERRED CONSIDERATION
TRANCHE 2 SHARES TO THE LYMEX SHAREHOLDERS IN
CONSIDERATION OF THE ACQUISITION OF LYMEX TENEMENTS PTY
LTD**

Background

In consideration for the acquisition of 100% of the issued capital of Lymex Tenements from the Lymex Shareholders, the Company has agreed to issue 7,500,000 ordinary fully paid shares in the Company (on a post Consolidation basis) of which 6,325,556 are the subject of item 7 Section 611 and 1,174,444 are the subject of ASX Listing Rule 7.1, to be issued to the Lymex Shareholders at a deemed issue price of \$0.20 per share (on a post Consolidation basis) to be issued upon the Company announcing to the ASX that at least 10 million tonnes in total of JORC Code compliant indicated graphite resources plus JORC Code compliant measured graphite resources have been delineated and defined at the Tenements grading at no less than 8% total graphitic content.

(A) ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a listed Company must not, subject to certain exceptions, issue or agree to issue more than 15% of its capital within a 12 month period without the approval of Shareholders.

By obtaining the prior approval of the Shareholders to the issue of the Deferred Consideration Tranche 2 Shares, the issue of those Shares will not count within the 15% limit under Listing Rule 7.1.

For the purposes of ASX Listing Rule 7.1, Resolution 7 seeks Shareholder approval for the issue of 1,174,444 Shares on the terms and conditions set out below.

(B) ASX Listing Rule 7.3

Listing Rule 7.3 contains certain requirements as to the contents of a notice sent to Shareholders for the purposes of Listing Rule 7.1 and the following information is included in this Explanatory Memorandum for that purpose:

The number of securities to be issued

The number of securities to be issued is 1,174,444 Shares.

The date by which the Company will issue the securities

The Shares will be issued within 7 days after the Company makes an ASX announcement to confirm that at least 10 million tonnes in total of JORC Code compliant indicated graphite resources plus JORC Code compliant measured graphite resources have been delineated and defined at the Tenements grading at no less than 7% total graphitic content.

Pursuant to ASX Listing Rule 7.3.2, the Deferred Consideration Tranche 2 Shares the subject of Resolution 7 must be issued within three (3) months from the date of the Shareholder approval.

ASX granted the Company a waiver from ASX Listing Rule 7.3.2 on 24 April 2014. The Waiver has been issued by ASX subject to certain conditions, including the following:

- 1.1. That the Notice of Meeting sets out in detail the milestones, which must be satisfied prior to the issue of the Deferred Consideration Securities.
- 1.2. That the milestones which must be satisfied for the Deferred Consideration Securities to be issued are not to be varied.
- 1.3. That for any annual reporting period during which any of the Deferred Consideration Securities have been issued or remain to be issued, the Company's annual report must set out in detail the number of Deferred Consideration Securities issued in that annual reporting period, and the number of Deferred Consideration Securities that remain to be issued, and the basis on which those securities may be issued.
- 1.4. That for any half year or quarter year report during which any of the Deferred Consideration Securities have been issued or remain to be issued, the Company's interim report and quarterly activities report must include a summary statement of the number of Deferred Consideration Securities issued during the reporting period, and the number of Deferred Consideration Securities that remain to be issued, and the basis on which those securities may be issued.
- 1.5. That the Deferred Consideration Securities must be issued no later than 60 months from the date of the Company's meeting to approve the issue of the Deferred Consideration Securities.

The issue price of the securities

The Shares will be issued for nil issue price and are issued as part consideration for the acquisition of 100% of the issued capital of Lymex Tenements pursuant to the Share Sale Agreement entered into between the Company and Lymex Limited.

The names of the Allottees of the securities

The Shares will be issued to Lymex Shareholders in the proportions set out in Annexure A annexed to this Notice of Meeting.

The terms of the securities

The Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing ordinary shares.

The use of funds raised

No funds will be raised from the issue of the Shares.

(C) ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires Shareholder approval to be obtained where a company issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

Certain Lymex Shareholders are entities controlled by persons nominated by Lymex Limited to be appointed to the Board of the Company on completion of the Acquisition, namely John Lynch, and Graham White.

Pursuant to section 228(6) of the Corporations Act, an entity is a related party of a public company at a particular time if the entity believes or has reasonable grounds to believe that it is likely to become a related party at any time in the future.

As the entities associated with John Lynch and Graham White are related parties by reason only of the Acquisition transaction which is the reason for the issue of securities to them, separate Shareholder approval under ASX Listing Rule 10.11 for the issue of the securities is not required as ASX Listing Rule 10.12 exception 6 applies.

(D) ASX Listing Rule 10.1

ASX Listing Rule 10.1 also requires Shareholder approval to be obtained where a company acquires a substantial asset from a related party. However, ASX Listing Rule 10.3 provides that ASX Listing Rule 10.1 does not apply in circumstances of a transaction between a company and a person who is a related party by reason only of the transaction and the application of section 228(6) of the Corporations Act.

As Matamin Pty Ltd, who is selling shares equal to approximately 84.34% of Lymex Tenements to the Company, is only a related party by virtue of this Acquisition transaction and the impending future appointment of John Lynch as a director of the Company, the exception under ASX Listing Rule 10.3 to the application of ASX Listing Rule 10.1 applies.

(E) Section 208 of the Corporations Act

For the reasons noted above in this Notice of Meeting, the Board considers that Shareholder approval under section 208 of the Corporations Act is not required for the issue of the Deferred Consideration Tranche 1 Shares to the Lymex Shareholders.

Voting exclusion statement

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

The passing of Resolution 13 is conditional upon, and subject to, all Resolutions being passed by Shareholders. Therefore, if you wish to vote in favour of Resolution 13, you should also vote in favour of all Resolutions.

Directors Recommendations

The Directors do not have any material interest in the outcome of Resolution 13 other than as a result of their interest arising solely in the capacity of Shareholders of the Company.

Each of the Directors intends to vote their Shares in favour of Resolution 13.

**RESOLUTION 14: APPROVAL OF THE ISSUE OF THE DEFERRED CONSIDERATION
TRANCHE 3 SHARES TO THE LYMEX SHAREHOLDERS IN
CONSIDERATION OF THE ACQUISITION OF LYMEX TENEMENTS PTY
LTD**

Background

In consideration for the acquisition of 100% of the issued capital of Lymex Tenements from the Lymex Shareholders, the Company has agreed to issue 7,500,000 ordinary fully paid shares in the Company (on a post Consolidation basis) of which 6,325,556 are the subject of item 7 Section 611 and 1,174,444 are the subject of ASX Listing Rule 7.1, to be issued to the Lymex

Shareholders at a deemed issue price of \$0.20 per share (on a post Consolidation basis) upon the Company announcing to the ASX that the Company has sold 50% of the Company's iron ore rights for at least \$10,000,000 (excluding GST) provided such sale and receipt of the sale proceeds occurs within 36 months of the date of the Company's listing on ASX. The Shares are to be issued by the Company only after receipt (without deduction) of the sum of \$10,000,000 by the Company

(A) ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a listed Company must not, subject to certain exceptions, issue or agree to issue more than 15% of its capital within a 12 month period without the approval of Shareholders.

By obtaining the prior approval of the Shareholders to the issue of the Deferred Consideration Tranche 2 Shares, the issue of those Shares will not count within the 15% limit under Listing Rule 7.1.

For the purposes of ASX Listing Rule 7.1, Resolution 8 seeks Shareholder approval for the issue of 1,174,444 Shares on the terms and conditions set out below.

(B) ASX Listing Rule 7.3

Listing Rule 7.3 contains certain requirements as to the contents of a notice sent to Shareholders for the purposes of Listing Rule 7.1 and the following information is included in this Explanatory Memorandum for that purpose:

The number of securities to be issued

The number of securities to be issued is 1,174,444 Shares.

The date by which the Company will issue the securities

The Shares will be issued within 7 days after the Company makes an ASX announcement to confirm that the Company has sold 50% of the Company's iron ore rights for at least \$10,000,000 (excluding GST) provided such sale and receipt of the sale proceeds occurs within 36 months of the date of the Company's listing on ASX. The Shares are to be issued by the Company only after receipt (without deduction) of the sum of \$10,000,000 by the Company

Pursuant to ASX Listing Rule 7.3.2, the Deferred Consideration Tranche 3 Shares the subject of Resolution 8 must be issued within three (3) months from the date of the Shareholder approval.

ASX granted the Company a waiver from ASX Listing Rule 7.3.2 on 24 April 2014. The Waiver has been issued by ASX subject to certain conditions, including the following:

- 1.1. That the Notice of Meeting sets out in detail the milestones, which must be satisfied prior to the issue of the Deferred Consideration Securities.
- 1.2. That the milestones which must be satisfied for the Deferred Consideration Securities to be issued are not to be varied.
- 1.3. That for any annual reporting period during which any of the Deferred Consideration Securities have been issued or remain to be issued, the Company's annual report must set out in detail the number of Deferred Consideration Securities issued in that annual reporting period, and the number of Deferred Consideration Securities that remain to be issued, and the basis on which those securities may be issued.

- 1.4. That for any half year or quarter year report during which any of the Deferred Consideration Securities have been issued or remain to be issued, the Company's interim report and quarterly activities report must include a summary statement of the number of Deferred Consideration Securities issued during the reporting period, and the number of Deferred Consideration Securities that remain to be issued, and the basis on which those securities may be issued.
- 1.5. That the Deferred Consideration Securities must be issued no later than 60 months from the date of the Company's meeting to approve the issue of the Deferred Consideration Securities. .

The issue price of the securities

The Shares will be issued for nil issue price and are issued as part consideration for the acquisition of 100% of the issued capital of Lymex Tenements pursuant to the Share Sale Agreement entered into between the Company and Lymex Limited.

The names of the Allottees of the securities

The Shares will be issued to Lymex Shareholders in the proportions set out in Annexure A attached to this Notice of Meeting.

The terms of the securities

The Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing ordinary shares.

The use of funds raised

No funds will be raised from the issue of the Shares.

(C) ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires Shareholder approval to be obtained where a company issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

Certain Lymex Shareholders are entities controlled by persons nominated by Lymex Limited to be appointed to the Board of the Company on completion of the Acquisition, namely John Lynch, and Graham White.

Pursuant to section 228(6) of the Corporations Act, an entity is a related party of a public company at a particular time if the entity believes or has reasonable grounds to believe that it is likely to become a related party at any time in the future.

As the entities associated with John Lynch and Graham White are related parties by reason only of the Acquisition transaction which is the reason for the issue of securities to them, separate Shareholder approval under ASX Listing Rule 10.11 for the issue of the securities is not required as ASX Listing Rule 10.12 exception 6 applies.

(D) ASX Listing Rule 10.1

ASX Listing Rule 10.1 also requires Shareholder approval to be obtained where a company acquires a substantial asset from a related party. However, ASX Listing Rule 10.3 provides that ASX Listing Rule 10.1 does not apply in circumstances of a transaction between a

company and a person who is a related party by reason only of the transaction and the application of section 228(6) of the Corporations Act.

As Matamin Pty Ltd, who is selling shares equal to approximately 84.34% of Lymex Tenements to the Company, is only a related party by virtue of this Acquisition transaction and the impending future appointment of John Lynch as a director of the Company, the exception under ASX Listing Rule 10.3 to the application of ASX Listing Rule 10.1 applies.

(E) Section 208 of the Corporations Act

For the reasons noted above in this Notice of Meeting, the Board considers that Shareholder approval under section 208 of the Corporations Act is not required for the issue of the Deferred Consideration Tranche 1 Shares to the Lymex Shareholders.

Voting exclusion statement

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

The passing of Resolution 14 is conditional upon, and subject to, all Resolutions being passed by Shareholders. Therefore, if you wish to vote in favour of Resolution 14, you should also vote in favour of all other Resolutions.

Directors Recommendations

The Directors do not have any material interest in the outcome of Resolution 14 other than as a result of their interest arising solely in the capacity of Shareholders of the Company.

Each of the Directors intends to vote their Shares in favour of Resolution 14.

RESOLUTION 15: APPROVAL FOR MATAMIN PTY LTD TO ACQUIRE A RELEVANT INTEREST IN EXCESS OF 20%

Under item 7 of Section 611 of the Corporations Act, the Company is seeking shareholder approval to do the following:

- Issue 25,302,224 of the 30,000,000 Initial Consideration Shares to Matamin Pty Ltd
- Issue 6,325,556 of the 7,500,000 Tranche 1 Shares to Matamin Pty Ltd
- Issue 6,325,556 of the 7,500,000 Tranche 2 Shares to Matamin Pty Ltd
- Issue 6,325,556 of the 7,500,000 Tranche 3 Shares to Matamin Pty Ltd

Resolution 15 seeks Shareholder approval pursuant to item 7 of Section 611 of the Corporations Act in order for Matamin Pty Ltd's voting power in the Company to increase from below 20% to more than 20% as a result of the issue of the Consideration Securities to Matamin Pty Ltd in connection with the Acquisition.

Corporations Act Approval

Ordinarily, section 606 of the Corporations Act prohibits acquisitions of relevant interests in listed companies if the transaction increases the person's holding in the company from below 20% to more than 20%.

Item 7 of section 611 of the Act however, provides that the prohibition under section 606 will not apply if the acquisition of the relevant interest is previously approved by a resolution at a General Meeting of the company whose shares are being acquired.

Pursuant to s. 608(1) of the Corporations Act, a person has a 'relevant interest' in securities if they:

- (a) are the holder of the securities; or
- (b) have power to exercise, or control the exercise of, a right to vote attached to the securities; or
- (c) have power to dispose of, or control the exercise of a power to dispose of, the securities.

It does not matter how remote the relevant interest is, or how it arises. If 2 or more people can jointly exercise one of these powers, each of them is taken to have that power.

Prescribed information:

The Act further requires that the following information material to the decision on how to vote be provided to the shareholders:

- (i) the identity of the person proposing to make the acquisition and their associates;
- (ii) the maximum extent of the increase in that person's voting power in the company that would result from the acquisition;
- (iii) the voting power that person would have as a result of the acquisition;
- (iv) the maximum extent of the increase in voting power of each of that person's associates that would result from the acquisition; and
- (v) the voting power that each of that person's associates would have as a result of the acquisition.

The information contained herein and in the accompanying Independent Expert's Report is provided to Shareholders to enable them to assess the merits of the Resolution.

Identity of person to whom shares will be issued

Matamin Pty Ltd is a private company owned and controlled by John Lynch, who is the Managing Director of Lymex Limited and a who will become Managing Director of the Company on completion of the Acquisition subject to the approval of all of the Resolutions the subject of this Meeting by Shareholders.

Matamin Pty Ltd's Intentions

If the Acquisition outlined herein is agreed to and completes, the Company understands that Matamin Pty Ltd:

- (a) has no intention of changing the business of the Company (following completion of the Acquisition and implementation of the Company's change of activities to become an exploration company);
- (b) has no intention of injecting further capital into the Company;
- (c) has no intention of making changes regarding the future employment of present employees of the Company;

- (d) does not intend to transfer any property between the Company or Matamin Pty Ltd or their associates;
- (e) does not intend to otherwise redeploy the fixed assets of the Company as a consequence of the Acquisition; and
- (f) has no intention of significantly changing the financial or dividend distribution policies of the Company.

The above statement of Matamin Pty Ltd's intentions are based on the Company's understanding of Matamin Pty Ltd's intentions as at the date of this Notice of Meeting and on information concerning the Company which is known to Matamin Pty Ltd as at the date of this document.

Increase in Voting Power of Matamin Pty Ltd

Currently Matamin Pty Ltd has no relevant interest or voting power in the Company.

Further, Matamin Pty Ltd has no associates (within the meaning of the Act) with any voting power in the Company.

Upon the issue of the Initial Consideration, Tranche 1, Tranche 2 and Tranche 3 Securities the relevant interest and voting power of Matamin Pty Ltd in the Company will increase to up to 57.68%, from 0%.

This is based on the following assumptions:

- (a) \$3,750,000 is raised in the Capital Raising;
- (b) the Deferred Consideration Tranche 1 Shares, Tranche 2 Shares and Tranche 3 Shares are issued and allotted to the Lymex Shareholders in the Lymex Shareholders Proportions;
- (c) that Matamin Pty Ltd does not subscribe for any Shares in the Capital Raising.

The above outline of the voting power that Matamin Pty Ltd will acquire in the Company is based upon the post-consolidation share structure of the Company. Further, it is noted that if more than \$3,750,000 is raised through the proposed capital raising the voting power of Matamin Pty Ltd will be less than 57.68%. By way of illustration if the proposed capital raising raises \$6,000,000 the voting power of Matamin Pty Ltd will be 50.31%.

Increase in Voting Power of Matamin Pty Ltd's Associates

The Company and Matamin Pty Ltd do not consider that Matamin Pty Ltd and the other Lymex Shareholders constitute associates for the purposes of the Corporations Act as they do not act in concert in relation to the affairs of a body, nor have they entered into a relevant agreement or constitute associates of a body corporate.

Independent Expert determination

In accordance with *ASIC Regulatory Guide 74: Acquisitions approved by members*, the Company has commissioned an Independent Expert to prepare the Independent Expert Report accompanying this Notice of Meeting which assesses whether the proposed issue of Consideration Securities to Matamin Pty Ltd is fair and reasonable to the non-associated Shareholders of the Company.

The Independent Expert Report confirms the determination of the Independent Expert that the proposed issue of Consideration Securities to Matamin Pty Ltd pursuant to Resolutions 5, 6, 7 and 8 is fair and reasonable to the non-associated Shareholders of the Company.

Please refer to the accompanying Independent Expert Report accompanying this Notice of Meeting and the Explanatory Memorandum for further information.

Voting exclusion statement

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

The passing of Resolution 9 is conditional upon, and subject to, all Resolutions being passed by Shareholders. Therefore, if you wish to vote in favour of Resolution 9, you should also vote in favour of all Resolutions.

Directors Recommendations

The Directors do not have any material interest in the outcome of Resolution 15 other than as a result of their interest arising solely in the capacity of Shareholders of the Company.

Each of the Directors intends to vote their Shares in favour of Resolution 15.

Based on the information available, all of the Directors consider that the proposed share issue to Matamin Pty Ltd is in the best interests of the Company and recommend that Shareholders vote in favour of Resolution 15.

The Directors have unanimously approved the proposal to put Resolution 15 to Shareholders.

RESOLUTION 16: APPROVAL OF CAPITAL RAISING

Resolution 16 seeks Shareholder approval for the allotment and issue of up to 30,000,000 Shares under a Prospectus to be issued by the Company to raise up to \$6,000,000 in connection with the Company's application for re admission to the ASX following Shareholder approval of a change in the nature and scale of the Company's activities.

The effect of Resolution 16 will be to allow the Directors to issue the Shares pursuant to the Capital Raising during the 3 month period after the Meeting (or a longer period, if allowed by the ASX), without the Company using any of the annual 15% placement capacity imposed under Listing Rule 7.1.

(A) ASX Listing Rule 7.1:

ASX Listing Rule 7.1 provides that an ASX listed Company must not, subject to certain exceptions, issue or agree to issue more than 15% of its capital within a 12 month period without the approval of shareholders.

By obtaining the prior approval of the Shareholders to the issue of the Shares under the Capital Raising, the issue of those Shares will not count within the 15% limit under Listing Rule 7.1.

(B) ASX Listing Rule 7.3

Listing Rule 7.3 contains certain requirements as to the contents of a notice sent to Shareholders for the purposes of Listing Rule 7.1 and the following information is included in this Explanatory Memorandum for that purpose:

The number of securities to be issued

The number of securities to be issued is up to 30,000,000 fully paid ordinary Shares.

The date by which the Company will issue the securities

Within 3 months after the date of the Meeting (or such later date if permitted by the ASX)

The issue price of the securities

\$0.20 per Share

The names of the Allottees of the securities

The Shares will be issued to members of the public under a Prospectus, and as such the name of the allottees are not known at this time.

The terms of the securities

The Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing ordinary shares.

The use of funds raised

The funds will be used to fund the costs and expenses associated with exploration of the Tenements, the costs and expenses of the Company's capital raising, the costs of the Company's application for re admission to ASX and for general working capital purposes.

Dates of allotment

It is intended that the Shares will be allotted on the same date as their issue.

Voting exclusion statement

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

The passing of Resolution 11 is conditional upon, and subject to, all Resolutions being passed by Shareholders. Therefore, if you wish to vote in favour of Resolution 11, you should also vote in favour of all other Resolutions.

Directors Recommendations

The Directors do not have any material interest in the outcome of Resolution 11 other than as a result of their interest arising solely in the capacity of Shareholders of the Company.

Each of the Directors intends to vote their Shares in favour of Resolutions 11.

RESOLUTION 17: APPOINTMENT OF JOHN LYNCH AS AN EXECUTIVE DIRECTOR OF THE COMPANY

Resolution 17 seeks Shareholder approval for the appointment of John Lynch as a Director of the Company with such appointment to take effect from the date of completion of the acquisition of Lymex Tenements.

Information regarding John Lynch is set out below:

John has significant exploration and development experience including the recognition and development of the Mt Leyshon, Camel Creek and Big Rush gold mines in North Queensland and the recognition and evaluation of the Weda Bay nickel cobalt deposit in Indonesia. He has successfully delivered a number of mining projects into production. John has previously held the following positions: Founding Director, President and CEO of Weda Bay Minerals Inc; Founder and Managing Director of Werrie Gold Limited; General Manager, Director and Co-founder of Pan Australian Mining Limited; Exploration Manager of Marathon Petroleum Australia Ltd; Exploration Manager and Chief Geologist of Metals Exploration Limited; and Assistant Exploration Manager of North Broken Hill Limited. John Lynch will become Managing Director of Oakdale Resources Limited if all the resolutions the subject of this meeting are passed.

RESOLUTION 18: APPOINTMENT OF GRAHAM WHITE AS A NON-EXECUTIVE DIRECTOR OF THE COMPANY

Resolution 18 seeks Shareholder approval for the appointment of Graham White as a Director of the Company with such appointment to take effect from the date of completion of the acquisition of Lymex Tenements.

Information regarding Graham White is set out below:

Graham White has extensive experience in investor and media relations with companies and organisations in the mining sector over more than 25 years. He has consulted to industry groups including the Minerals Council, The AusIMM and AMIRA International on communications issues, handled investor and media relations for a range of minerals companies and developed and managed community relations programmes for mining projects and for other sensitive industries.

RESOLUTION 19: APPOINTMENT OF PHILLIP STAVELEY AS A NON- EXECUTIVE DIRECTOR OF THE COMPANY

Resolution 19 seeks Shareholder approval for the appointment of Phillip Staveley as a Non-Executive Director of the Company with such appointment to take effect from the date of completion of the acquisition of Lymex Tenements.

Information regarding Phillip Staveley is set out below:

Phillip Staveley CPA, BA (Hons.), Dipl Btr, is a qualified accountant with over 30 years experience in the resources sector. He started his career in the oil and gas sector working for Schlumberger in London, followed by a number of years with SAGASCO and SAOG (South Australian Oil and Gas Company). After a number of years in that sector he moved to the mining sector, spending almost ten years with Normandy Mining Limited. Whilst with Normandy Phillip Staveley fulfilled a number of planning, finance, M&A and commercial roles, including the establishment of a Group Supply Function and spending three years based in Rio de Janeiro as the CFO of TVX Normandy Americas.

In recent years he has been involved in mining and contracting companies in CFO and, more latterly, CEO roles with an emphasis on strategy and corporate finance. He is currently engaged in the acquisition, funding and development of several resource projects in Australia and Brazil.

RESOLUTION 20: APPOINTMENT OF ANDREW HARRINGTON AS A NON-EXECUTIVE DIRECTOR OF THE COMPANY

Resolution 20 seeks Shareholder approval for the appointment of Andrew Harrington as a Non-Executive Director of the Company with such appointment to take effect from the date of completion of the acquisition of Lymex Tenements.

Information regarding Andrew Harrington is set out below:

Andrew Harrington has worked in the mining and energy industries for 17 years in consulting, project finance, institutional banking, and stockbroking roles. He was a top rated mining and energy equities analyst at Patersons Securities for six years where he covered the coal, rare earths, lithium, and other specialty products like graphite. In that time he was awarded the #1 Stock picker in the Energy Sector by Reuters Starmine for 2011. He has previously worked at ANZ, Wood Mackenzie, and ABN Amro in various analytical and client-facing roles. He is an expert in mining evaluation and has conducted due diligence, market supply and demand analysis, management interrogation, and financial modeling on many projects. He is often quoted in the print and television media commenting on the mining industry. Currently, he is the director and founder of his own advisory firm, Indexys, which assists miners and investors with valuation, analysis, presentations, capital allocation and sourcing.

RESOLUTION 21: CHANGE OF NAME

Resolution 21 seeks Shareholder approval for the Company to its name to “Oakdale Resources Limited”.

The Board has decided to change the name of the Company from Teys Limited to ‘**Oakdale Resources Limited**’ to better reflect the activities of the Company following completion of the acquisition of Lymex Tenements Pty Ltd.

As the Corporations Act requires that any change to the name of the Company be approved by a special resolution of the Company’s Shareholders, such approval is being sought for the changing of the company’s name to the new name.

If Resolution 21 is passed the change of Company name will take effect when ASIC alters the details of the Company’s registration.

The passing of Resolution 21 is conditional upon, and subject to, all of the other Resolutions being passed by Shareholders. Therefore, if you wish to vote in favour of Resolution 16, you should also vote in favour of all other Resolutions.

Directors Recommendations

Each of the Directors intends to vote their Shares in favour of Resolution 21.

GLOSSARY

\$ means Australian dollars

AEST means Australian Eastern Standard Time;

Acquisition means the acquisition by the Company of 100% of the issued share capital of Lymex Tenements Pty Ltd (ACN 146 438 431);

ASIC means the Australian Securities and Investment Commission;

ASX means ASX Limited;

Company means Teys Limited (ACN 009 118 861)

Consideration Securities means the consideration securities in the Company to be issued to the Lymex Shareholders under the terms of the Share Sale Agreement, being the Initial Consideration Shares, Deferred Consideration Tranche 1 Shares, Deferred Consideration Tranche 2 Shares and Deferred Consideration Tranche 3 Shares;

Consolidation means the proposed consolidation of the Company's existing Share capital as set out in Resolution 4;

Constitution means the Company's Constitution;

Corporations Act means the Corporations Act 2001 (Cth);

Deferred Consideration Securities means the Deferred Consideration Tranche 1 Shares, the Deferred Consideration Tranche 2 Shares and the Deferred Consideration Tranche 3 Shares;

Deferred Consideration Tranche 1 Shares means the Shares to be issued to the Lymex Shareholders on the achievement of certain milestones with respect to the Tenements on the terms and as set out in the Explanatory Memorandum;

Deferred Consideration Tranche 2 Shares means the Shares to be issued to the Lymex Shareholders on the achievement of certain milestones with respect to the Tenements on the terms and as set out in the Explanatory Memorandum;

Deferred Consideration Tranche 3 Shares means the Shares to be issued to the Lymex Shareholders on the achievement of certain milestones with respect to the Tenements on the terms and as set out in the Explanatory Memorandum;

Directors means the current directors of the Company;

Explanatory Memorandum means the explanatory memorandum accompanying the Notice of Meeting;

Independent Expert means Hall Chadwick Corporate (NSW) Limited;

Initial Consideration Shares means 30,000,000 shares to be issued to the Lymex Shareholders as part consideration for the Acquisition;

JORC Code means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves as amended from time to time;

General Meeting means the meeting convened by this Notice of Meeting;

Listing Rules means the Listing Rules of the ASX;

Lymex Tenements means Lymex Tenements Pty Ltd (ACN 146 438 431);

Lymex Shareholders means the shareholders of Lymex Tenements Pty Ltd (ACN 146 438 431) who are to sell their shares in Lymex Tenements Pty Ltd (ACN 146 438 431) in accordance with the terms of the Share Sale Agreement;

Notice of Meeting means this Notice of Meeting issued by the Company;

Proxy Form means the proxy form accompanying the Notice;

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 the holder of a Share

Share Sale Agreement means the Share Sale Agreement as detailed in section 2.4;

Tenements means the exploration licence tenements held by Lymex Tenements.

TEYS LIMITED (ACN 009 118 861)
PROXY FORM FOR GENERAL MEETING

I/We

of

am/are a member of Tey's Limited (ACN 009 118 861) and I/we appoint as my/our proxy:

of

or failing him or her, the Chairman of the General Meeting of the Company, to be held at # Victoria on # at 10.00am AEST to vote for me/us at the meeting and at any adjournment of it.

If 2 proxies are being appointed the proportion of voting rights this proxy is authorised to exercise is%. (The Company will supply an additional form on request).

Voting directions to your proxy – please tick box to indicate your directions

		FOR	AGAINST	ABSTAIN
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Approval to Issue Shares on the Conversion of Convertible Notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval to Issue Shares to a Director Related Entity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval to Issue Shares to a Director Related Entity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of Issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval to Issue Shares to a Director Related Entity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval to Issue Shares to a Director Related Entity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Approval to Issue Shares to a Director Related Entity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Approval for Consolidation of Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10	Approval of change in nature and scale of the Company's activities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Resolution 11	Approval for the Issue of the Initial Consideration Shares to Lymex Shareholders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 12	Approval of issue of Deferred Consideration Tranche 1 to Lymex Shareholders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 13	Approval of issue of Deferred Consideration Tranche 2 to Lymex Shareholders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 14	Approval of issue of Deferred Consideration Tranche 3 to Lymex Shareholders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 15	Approval for Matamin Pty Ltd to acquire relevant interest above 20%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 16	Approval of Capital Raising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 17	Appointment of John Lynch as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 18	Appointment of Graham White as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 19	Appointment of Phillip Staveley as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 20	Appointment of Andrew Harrington as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 21	Change of Company name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

The Chairman intends to vote all undirected proxies in favour of all resolutions.

If you do not wish to direct your proxy on how to vote, please tick the box: ☐

By ticking this box, I/we direct the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions on the Resolutions (except where I/we have indicated a different voting intention above).

If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on the Resolutions and your votes will not be counted in calculating the required majority if a poll is called on the resolution.

Signature of Member(s): _____ Date:.....

Individual or Member 1	Member 2	Member 3
<div></div>	<div></div>	<div></div>
Sole Director/Company Secretary	Director	Director/Company Secretary

Contact Name: _____

Contact Ph (daytime): _____

PROXY INSTRUCTIONS

A member entitled to attend and vote at a meeting is entitled to appoint not more than 2 proxies.

Where more than 1 proxy is appointed, each proxy may be appointed to represent a specific portion of the member's voting rights.

A proxy need not be a member of the Company.

A proxy form must be signed by the member or his or her attorney. Proxies given by corporations must either be signed under seal or under the hand of a duly authorised officer or attorney.

To be valid, the form appointing the proxy and the Power of Attorney or other authority (if any) under which it is signed (or a certified copy) must be lodged with:

Attn: Mr. Hemant Amin,
Company Secretary
Teys Limited
24 Palmerston Road West
RINGWOOD VIC 3134

Telephone: +61 3 9845 8300
Facsimile: +61 3 9845 8373

Not later than 5.00 pm AEST on 17 July 2014

Annexure A

Shareholder	Initial Consideratio n Shares	Deferred Consideration Tranche 1 Shares	Deferred Consideration Tranche 2 Shares	Deferred Consideration Tranche 3 Shares
Matamin Pty L	25,302,224	6,325,556	6,325,556	6,325,556
Graham Shirley White	46,387	11,597	11,597	11,597
MCPW Pty Ltd	42,170	10,543	10,543	10,543
Gregor David Brownlee	21,085	5,271	5,271	5,271
Teasdale Superannuation Nominees Pty Ltd	21,085	5,271	5,271	5,271
Mary Papaleo	88,558	22,139	22,139	22,139
Heffernan Property Group Pty Ltd	52,712	13,178	13,178	13,178
Canary Pty Ltd	210,852	52,713	52,713	52,713
Meredith Pincus	42,170	10,543	10,543	10,543
Umberto Stenta	42,170	10,543	10,543	10,543
Farndos Pty Ltd	42,170	10,543	10,543	10,543
Briggite Pty Ltd	105,426	26,356	26,356	26,356
Ecomm. Unity Pty Ltd	147,596	36,899	36,899	36,899
David John Brown	379,533	94,883	94,883	94,883
Dakota Rose Asset Management Pty Ltd	50,604	12,651	12,651	12,651
Small Enterprises (Aust.) Pty Ltd	210,852	52,713	52,713	52,713
Namoi Capital Pty Ltd	105,426	26,356	26,356	26,356
Gerard James Masters & Sharyn Masters	527,129	131,782	131,782	131,782
Prilo Pty Ltd	210,852	52,713	52,713	52,713
Philby Trust	52,712	13,178	13,178	13,178
Bogani Pty Ltd	21,085	5,271	5,271	5,271
BLB Corporation Pty Ltd	2,277,198	569,301	569,301	569,301
TOTAL	30,000,000	7,500,000	7,500,000	7,500,000

Annexure B

Convertible Noteholder	Note Value	Shares to be issued (on a post consolidation basis)
Boom Capital Pty Ltd (Constantine Scrinis)	\$7,083	55,897
B2B Holdings Pty Ltd (Gregory Wood)	\$7,083	55,897
Barry Cheyney	\$3,542	27,949
Les Szancer	\$3,542	27,949
Scott Griffin <Griffin Family Trust A/C>	\$7,083	55,897
Peter & Carlene Gebhardt	\$7,083	55,897
Vallelonga International Pty Ltd	\$3,542	27,949
Trenchstones Pty Ltd	\$3,542	27,949
Locope Pty Ltd	\$25,000	197,285
Tamara Jane Flapper	\$25,000	197,285
Archenland Pty Ltd	\$7,500	59,186
	\$100,000	789,141

Annexure C

Shareholder	Shares to be Issued (on a Pre consolidation basis)	Shares to be Issued (on a Post consolidation basis)
Boom Capital Pty Ltd (Constantine Scrinis)	60,629,800	842,080
B2B Holdings Pty Ltd (Gregory Wood)	3,670,200	50,975
Hemant Amin	4,950,000	68,750