



19 October 2015

Manager Companies  
Companies Announcements Office  
Australian Securities Exchange

## LEIGH CREEK ENERGY LIMITED ASX ANNOUNCEMENT

### ASX Code: LCK: 2015 Annual General Meeting

The Company's 2015 Annual General Meeting will be held on Thursday 19 November 2015.

Please find attached the following documents which have been despatched to the Company's shareholders today:

- Notice of Annual General Meeting; and
- Proxy Form

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'J Mehrtens'.

Jordan Mehrtens  
Company Secretary

### **About Leigh Creek Energy**

*Leigh Creek Energy Limited (LCK) is an emerging gas company focused on developing its Leigh Creek Energy Project (LCEP), located in South Australia. The LCEP will produce high value products such as methane and fertiliser from the remnant coal resources at Leigh Creek utilising In Situ Gasification technologies, and will provide long term growth and opportunities to the communities of the northern Flinders Ranges and South Australia.*

*The Company is committed to developing the LCEP using a best practice approach to mitigate the technical, environmental and financial project risks to as low as can be reasonably achieved.*



## Leigh Creek Energy Limited

ABN 31 107 531 822

### Notice of Annual General Meeting

**Notice is hereby given that the Annual General Meeting of the Shareholders of Leigh Creek Energy Limited will be held at Leigh Creek Energy Limited Level 11, 19 Grenfell Street Adelaide South Australia 5000 on Thursday 19<sup>th</sup> November 2015 at 9.30 am (Adelaide time).**

#### Business:

#### Accounts

To consider the financial report and the reports of the Directors and of the Auditors for the financial year ended 30 June 2015.

#### Resolution 1 – Re-election of Mr Gregory D English as Director

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

“That, Mr Gregory D English, having retired in accordance with clause 44.3(a) of the Company’s Constitution and Listing Rule 14.4 and having offered himself for re-election, is hereby re-elected as a Director of the Company with immediate effect.”

Information regarding the candidate for re-election can be found in the Explanatory Memorandum that accompanies this Notice of Annual General Meeting.

#### Resolution 2 – Approval of Additional 10% Placement Capacity

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

“That, for the purposes of the Listing Rule 7.1A and all other purposes, Shareholders authorise the Company to have the additional capacity to issue Equity Securities comprising up to 10% of the issued capital of the Company under Listing Rule 7.1A calculated in accordance with the formula

prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.”

#### Voting Exclusion Statement – Resolution 2

The Company will disregard any votes cast on Resolution 2 by a person who may participate in a proposed issue of Shares under the 10% Placement Capacity, and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if Resolution 2 is passed, and any of their respective associates. However the Company need not disregard a vote if:

- (a) It is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the relevant proxy form; or
- (b) 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 relevant proxy form to vote as the proxy decides.

#### Resolution 3 – Adoption of the Remuneration Report for the year ended 30 June 2015

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

“That for the purposes of Section 250R(2) of the Corporations Act, the Company adopt the Remuneration Report for the period ended 30 June 2015 as set out in the Directors’ Report section of the 2015 Annual Report.”

The vote on the resolution to adopt the Remuneration Report is advisory only and does not bind the Directors of the Company.

### **Voting Exclusion Statement – Resolution 3**

In accordance with section 250R(4) of the Corporations Act, a vote on Resolution 3 must not be cast (in any capacity) by or on behalf of any of the following persons:

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

However, a person described above may cast a vote on Resolution 3 if the vote is not cast on behalf of a person described above and either:

- (c) The person does so as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; or
- (d) The Chair of the Meeting is appointed as proxy and the proxy form expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

### **Resolution 4 – Grant of Options to David Kit Shearwood**

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

“That for the purpose of ASX Listing Rule 10.14 and for all other purposes, the grant by the Company to Mr David Kit Shearwood or his permitted nominee, of a total of 1,000,000 unlisted Options on the terms and conditions set out in Annexure A, is approved.”

Information regarding Resolution 4 can be found in the Explanatory Memorandum that accompanies this Notice of Annual General Meeting.

### **Voting Exclusion Statement**

The Company will disregard any votes cast on Resolution 4 by any Director that is eligible to participate in the Company’s Employee Share

Option Plan (being, at the date of this Notice, Mr David Kit Shearwood and Mr Daniel J D Peters) and their respective associates, or any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities. However the Company need not disregard a vote if:

- (a) It is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the relevant proxy form; or
- (b) It is cast by the person chairing the meeting as proxy for a person who is entitled to vote, and the appointment expressly authorises the person chairing the meeting to exercise the proxy even though the Resolution is connected with the remuneration of a member of the Key Management Personnel of the Company.

A person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 4 if:

- (c) the proxy is either a member of the Key Management Personnel or a Closely Related Party of such a member; and
- (d) the appointment does not specify the way the proxy is to vote on Resolution 4,

unless the proxy is the Chairman of the meeting and the appointment expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

### **Resolution 5 – Grant of Options to Daniel J D Peters**

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

“That for the purpose of ASX Listing Rule 10.14 and for all other purposes, the grant by the Company to Mr Daniel J D Peters or his permitted nominee, of a total of 1,000,000 unlisted Options on the terms and conditions set out in Annexure A, is approved.”

Information regarding Resolution 5 can be found in the Explanatory Memorandum that

accompanies this Notice of Annual General Meeting.

### **Voting Exclusion Statement**

The Company will disregard any votes cast on Resolution 5 by any Director that is eligible to participate in the Company's Employee Share Option Plan (being, at the date of this Notice, Mr Daniel J D Peters and Mr David Kit Shearwood) and their respective, or any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities. However the Company need not disregard a vote if:

- (a) It is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the relevant proxy form; or
- (b) It is cast by the person chairing the meeting as proxy for a person who is entitled to vote, and the appointment expressly authorises the person chairing the meeting to exercise the proxy even though the Resolution is connected with the remuneration of a member of the Key Management Personnel of the Company.

A person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 5 if:

- (c) the proxy is either a member of the Key Management Personnel or a Closely Related Party of such a member; and
- (d) the appointment does not specify the way the proxy is to vote on Resolution 5,

unless the proxy is the Chairman of the meeting and the appointment expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

### **Resolution 6 – Appointment of Auditor**

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

"That, subject to the Australian Securities and Investments Commission granting its consent to

the resignation of the Company's current auditor, Grant Thornton South Australian Partnership, for the purposes of section 327B of the Corporations Act and for all other purposes, that Grant Thornton Audit Pty Ltd, having been nominated and having consented in writing to act as auditor of the Company, be appointed as auditor of the Company and the Directors be authorised to set its remuneration."

### **Information for Members**

#### **Explanatory Memorandum**

The Explanatory Memorandum accompanying this Notice of General Meeting is incorporated in and comprises part of this Notice of General Meeting and should be read in conjunction with this Notice.

Members are specifically referred to the Glossary in the Explanatory Memorandum which contains definitions of capitalised terms used both in this Notice of General Meeting and the Explanatory Memorandum.

#### **"Snap-shot" Time**

In accordance with Regulation 7.11.37 of the Corporations Regulations 2001, the Company has determined that for the purposes of voting at the Meeting, Shares will be taken to be held by those who hold them as at 7.00 pm (Adelaide time) on Tuesday 17 November 2015.

#### **Proxies**

A Shareholder entitled to attend and vote at the Meeting may appoint a proxy. The person appointed as a proxy may be an individual or a body corporate and need not be a Shareholder. If a Shareholder is entitled to cast two or more votes, the Shareholder may appoint one or two proxies.

Where two proxies are appointed, each proxy may be appointed to represent a specific proportion of the Shareholder's voting rights. If the proportion is not specified, each proxy may exercise half of the Shareholder's voting rights. Fractional votes will be disregarded.

To record a valid vote, members will need to take either of the following steps:

- (a) Cast your vote online by visiting [www.investorvote.com.au](http://www.investorvote.com.au) and following the instructions and information provided on the enclosed proxy form ; or
- (b) Complete and lodge the Proxy Form (and the power of attorney or other authority (if any) under which it is signed, or a certified copy of it) at the share registry of the Company, Computershare Investor Services Pty Limited, located at GPO Box 242, Melbourne VIC 3001, or by facsimile on 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia); or
- (c) For Intermediary Online subscribers only (custodians), please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions,

no later than 48 hours before the time for the holding of the Meeting.

#### **Corporate Representative**

A corporation that is a Shareholder or a proxy may elect to appoint a person to act as its corporate representative at the Meeting, in which case the corporate Shareholder or proxy (as applicable) must provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that Shareholder's or proxy's (as applicable) corporate representative. The authority must be sent to the Company and/or the Company's Share Registry (detailed above) in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

#### **By order of the Board**



**J E Mehrtens**

Company Secretary  
Leigh Creek Energy Limited  
15<sup>th</sup> October 2015

## **Explanatory Memorandum**

### **Introduction**

This Memorandum has been prepared for the information of Shareholders of Leigh Creek Energy Limited in connection with the business to be conducted at the Annual General Meeting of the Company to be held at **Leigh Creek Energy Limited Level 11, 19 Grenfell Street Adelaide South Australia 5000** on **Thursday 19<sup>th</sup> November 2015** at **9.30 am** (Adelaide time).

This Explanatory Memorandum should be read in conjunction with the accompanying Notice of Annual General Meeting. Capitalised terms in this Explanatory Memorandum are either defined in the Glossary or elsewhere in this Explanatory Memorandum.

### **Resolution 1 – Re-election of Mr Gregory D English as Director**

On 22 September 2015 the Board appointed Mr Gregory D English as a Director pursuant to clause 44.3 of the Company's constitution. That provision gives the Directors the power to appoint any person to fill a casual vacancy or as an addition to the Board.

A Director appointed under sub-clause 44.3 is required to retire at the first annual general meeting following his or her appointment, and is not taken into account in determining the number of Directors who must retire by rotation at the annual general meeting.

The Company provides the following information in relation to Mr English:

Mr English was appointed a non-executive director of Leigh Creek Energy on 22 September 2015.

Mr English is an experienced mining engineer and lawyer with over 25 years of involvement in the resources industry. As a mining engineer he has worked on underground and open pit coal mines, including working as a mining engineer at the Leigh Creek Coalfield where he lived in the Leigh Creek town. As a lawyer Mr English has acted for numerous oil and gas companies and advised on numerous gas marketing, gas transportation and similar transactions.

Mr English's experience in the coal industry, and in particular his knowledge of the Leigh Creek Coalfield, and experience and contacts in the oil and gas industry will complement the skills of the board. Mr English is a current and past non-executive director and chairman of several listed and unlisted exploration companies and is currently Chairman of Archer Exploration Limited and Core Exploration Limited.

The Directors (other than Mr English) recommend that Shareholders vote in favour of Resolution 1. The Chairman intends to vote all undirected proxies in favour of Resolution 1.

### **Resolution 2 - Approval of Additional 10% Placement Capacity**

ASX Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the Annual General Meeting (**10% Placement Capacity**). The 10% Placement Capacity is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1. An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company's market capitalisation as at 25 September 2015 was \$46,103,894.40 (230,519,472 issued Shares at \$0.20 closing price per Share). Further, the Company is not included in the S&P/ASX 300 Index, and is therefore an eligible entity for the purposes of ASX Listing Rule 7.1A.

The Company is now seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Capacity. The exact number of Equity Securities to be issued under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX

Listing Rule 7.1A.2. It is the Company's intention that funds received under the 10% Placement Capacity will be used to generally fund project development and working capital requirements.

#### Description of Listing Rule 7.1A

*a) Shareholder approval*

The ability to issue Equity Securities under the 10% Placement Capacity is subject to Shareholder approval by way of a special resolution at an Annual General Meeting.

*b) Equity Securities*

Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of this Notice, has on issue two classes of Equity Securities being listed Shares and unlisted Options.

*c) Formula for calculating 10% Placement Capacity*

ASX Listing Rule 7.1A.2 provides that eligible entities which have obtained Shareholder approval at an Annual General Meeting may issue or agree to issue, during the 12 month period after the date of the Annual General Meeting, a number of Equity Securities calculated in accordance with the following formula:

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

**A** is the number Shares on issue 12 months before the date of issue or the date of agreement to issue:

- (1) Plus the number of fully paid Shares issued in the 12 months under an exception in Listing Rule 7.2;
- (2) Plus the number of partly paid Shares that became fully paid in the 12 months;
- (3) Plus the number of fully paid Shares issued in the 12 months with approval of holders of Shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid Shares under the entity's 15% placement capacity without Shareholder approval;
- (4) Less the number of fully paid Shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

**D** is 10%

**E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of Shareholders under Listing Rule 7.1 or 7.4.

#### Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice, the Company had on issue 230,519,472 Shares and therefore (assuming Resolution 2 is approved by Shareholders) currently has the capacity to issue:

- 1) 34,577,920 Equity Securities under Listing Rule 7.1; and



- 2) Subject to Shareholder approval being sought under Resolution 2, 23,051,947 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2.

#### Minimum Issue Price

The issue price of Equity Securities under Listing Rule 7.1A must not be less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- 1) The date on which the price at which the Equity Securities are to be issued is agreed; or
- 2) If the Equity Securities are not issued within 5 Trading Days of the date in paragraph (1) above, the date on which the Equity Securities are issued.

The Company may also issue Equity Securities under the 10% Placement Capacity as consideration for the acquisition of a new asset, resource or investment, in which case the Company will release to the market a valuation of those Equity Securities that demonstrates that the issue price of the securities complies with the rule above.

#### 10% Placement Period

Shareholder approval of the 10% Placement Capacity under Listing Rule 7.1A is valid from the date of the Annual General Meeting at which the approval is obtained and expires on the earlier to occur of:

- 1) The date that is 12 months after the Annual General Meeting at which the approval is obtained; or
- 2) The date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

Or such longer period if allowed by ASX (**10% Placement Period**).

#### Listing Rule 7.1A

The effect of Resolution 2 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's placement capacity under Listing Rule 7.1.

Resolution 2 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

#### *(1) Specific information required by Listing Rule 7.3A*

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Capacity as follows:

- 1) the Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days on which trades in that class were recorded immediately before:
  - (a) the date on which the price at which the Equity Securities are to be issued is agreed; or
  - (b) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (a) above, the date on which the Equity Securities are issued.



(2) *Effect of issue on other Shareholders*

If Resolution 2 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Capacity, existing Shareholders may be subject to both economic and voting power dilution. There is a risk that:

- 1) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting;
- 2) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date; and
- 3) the Equity Securities are issued as part of consideration for the acquisition of a new asset, in which case, no funds will be raised by the issue of the Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice. The table also shows:

- 1) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- 2) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.10 50% decrease in issue price	\$0.20 Issue price	\$0.40 100% increase in issue price
Current Variable A 230,519,472 Shares	10% voting dilution	23,051,947 Shares	23,051,947 Shares	23,051,947 Shares
	Funds raised	\$2,305,194.70	\$4,610,389.40	\$9,220,778.80
50% increase in current Variable A 345,779,208 Shares	10% voting dilution	34,577,920 Shares	34,577,920 Shares	34,577,920 Shares
	Funds raised	\$3,457,792	\$6,915,584	\$13,831,168
100% increase in current Variable A 461,038,944 Shares	10% voting dilution	46,103,894 Shares	46,103,894 Shares	46,103,894 Shares
	Funds raised	\$4,610,389.40	\$9,220,778.80	\$18,441,557.60

The table has been prepared on the following assumptions:

- i. the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity;
  - ii. no unlisted Options are exercised into Shares before the date of the issue of the Equity Securities;
  - iii. the 10% voting dilution reflects the aggregate percentage dilution against the issued Share capital at the time of issue. This is why the voting dilution is shown in each example as 10%;
  - iv. the table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting;
  - v. the table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1. Dilution experienced by Shareholders may be greater if issues have been made utilising the capacity in Listing Rule 7.1 as well;
  - vi. the issue of Equity Securities under the 10% Placement Capacity consists only of Shares;
  - vii. the issue price is \$0.20, being the closing price of the Shares on ASX on 25 September 2015.
- 3) the Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 2 for the issue of Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- 4) the Company may seek to issue the Equity Securities for the following purposes:
- i. non-cash consideration for the acquisition of new resources, assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
  - ii. cash consideration. In such circumstances, the Company intends to use the funds raised to fund investigations into or acquire interests in base or precious metals prospects, energy resources or related technologies, or to satisfy the price of a strategic alliance for the Company, and/or generally to fund working capital requirements.
- The Company will comply with the disclosure obligations under Listing Rules 7.1A (4) and 3.10.5A upon issue of any Equity Securities.
- 5) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Capacity. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
- i. the methods of raising funds that are available to the Company, includes but is not limited to, a rights issue or other issue in which existing security holders can participate;

- ii. the effect of the issue of the Equity Securities on the control of the Company;
- iii. the financial situation and solvency of the company; and
- iv. advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Capacity have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company acquires new assets, it is likely that the allottees under the 10% Placement Capacity will be the vendors of the new assets.

If Resolution 2 is approved by Shareholders, the Company may issue Equity Securities under the 10% Placement Capacity during the 10% Placement Period as and when the circumstances of the Company require.

- 6) the Company previously obtained Shareholder approval under Listing Rule 7.1A at its 2014 Annual General Meeting but did not issue any Equity Securities pursuant to Listing Rule 7.1A from the date of the 2014 Annual General Meeting to the date that Shareholder approval expired on 27 May 2015, when Shareholders approved a transaction under Listing Rule 11.1.2. Annexure B sets out the detailed information required under Listing Rule 7.3A.6 regarding Equity Securities issued in the 12 month period prior to 19 November 2015.
- 7) a voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holders to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

The Board considers that the approval of the issue of the 10% Placement Capacity described above is beneficial for the Company as it provides the Company with the flexibility to issue up to the maximum number of securities permitted under Listing Rule 7.1A in the next 12 months (without further Shareholder approval), should it be required. At the date of the Notice of Meeting, the Company has no plans to use the 10% Placement Capacity should it be approved. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of Resolution 2. The Chairman intends to vote all undirected proxies in favour of Resolution 2.

### **Resolution 3 - Adoption of the Remuneration Report for the year ended 30 June 2015**

The Annual Report for the period ended 30 June 2015 either accompanies this Notice or is available on the Company's website: [www.lcke.com.au](http://www.lcke.com.au).

The Remuneration Report is contained in the Directors' Report in the 2015 Annual Report. The Report describes the underlying policies and structure of the remuneration arrangements of the Company and sets out the remuneration arrangements in place for Directors and senior executives.

Section 250R (2) of the Corporations Act requires that a resolution to adopt the Remuneration Report be put to the vote of the Company. Shareholders should note that the vote on Resolution 3 is advisory only and, subject to the matters outlined below, will not bind the Company or the Directors. However, the Board will take the outcome of the vote into consideration when reviewing the Company's remuneration policy.

A vote on Resolution 3 must not be cast (in any capacity) by or on behalf of any of the following persons:

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

However, a person described above may cast a vote on Resolution 3 if the vote is not cast on behalf of a person described above and either:

- (i) The person does so as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; or
- (ii) The chair of the meeting is appointed as proxy and the proxy form expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel for the Company, or if the Company is part of a consolidated entity, for the entity.

**Please Note:** In accordance with sections 250R(4) and 250R(5) of the Corporations Act, the Chair will not vote any undirected proxies in relation to Resolution 3 unless the shareholder specifically authorises the Chair to vote in accordance with the Chair's stated voting intentions. Please note that if the Chair of the meeting is your proxy (or becomes your proxy by default), by completing the proxy form you expressly authorise the chair to exercise your proxy on Resolution 3 even though it is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company, which includes the Chair. If you appoint the Chair as your proxy you can direct the chair to vote for or against or abstain from voting on Resolution 3 by marking the appropriate box on the proxy form.

Alternatively, shareholders can nominate as their proxy for the purpose of Resolution 3 a proxy who is not a member of the Company's Key Management Personnel or a Closely Related Party. That person would be permitted to vote undirected proxies.

The Chair intends to vote all available proxies in favour of Resolution 3.

If, at two consecutive annual general meetings of a listed company, at least 25% of votes cast on a resolution that the remuneration report be adopted are against adoption of the report, at the second of these annual general meetings there must be put to the vote a resolution that another meeting be held within 90 days at which all directors (except the managing director) who were directors at the date the remuneration report was approved at the second annual general meeting must stand for re-election. So, in summary, shareholders will be entitled to vote in favour of holding a general meeting to re-elect the Board if the Remuneration Report received 'two strikes'.

The Company confirms that at the Company's 2014 Annual General Meeting more than 75% of votes were cast for the adoption of the remuneration report, and as such, the "two strikes" process will not apply at the Company's upcoming Annual General Meeting.

#### **Resolutions 4 and 5 - Grant of Options to David Kit Shearwood and Daniel J D Peters**

Resolution 4 and Resolution 5 seek Shareholder approval for the purposes of ASX Listing Rule 10.14 for the grant of Options to Mr David Kit Shearwood and Mr Daniel J D Peters respectively (or their permitted nominees) under the terms of the Company's Employee Share Option Plan (**ESOP**).

The Company is proposing to grant the 1 million Options to each of Mr Shearwood and Mr Peters under the terms of the ESOP, as follows:

Option Type	Total No. of Options	Exercise Price	Last Exercise Date
A Options	250,000	\$1.50	31 July 2020
B Options	250,000	\$1.50	31 July 2020
C Options	250,000	\$1.50	31 July 2020

D Options	250,000	\$1.50	31 July 2020
<b>Total</b>	1,000,000		

### Performance Hurdles

Each of the A, B, C and D Options are only exercisable upon the following Company hurdles being achieved by the respective First Exercise Dates. This is as follows:

Option Type	First Exercise Date	Summary of Performance Hurdles
A Options	31 July 2016	<ol style="list-style-type: none"> <li>1. Attainment of a JORC 2012 compliant coal resource for PEL 650.</li> <li>2. Attainment of a gas certification report.</li> <li>3. Attainment of Government approvals for an ISG Pilot Plant.</li> </ol>
B Options	31 July 2017	<ol style="list-style-type: none"> <li>1. Completion of the prefeasibility study for the Leigh Creek Energy Project.</li> <li>2. Pilot plant gas flared.</li> </ol>
C Options	31 July 2018	<ol style="list-style-type: none"> <li>1. Government commercial approvals completed.</li> </ol>
D Options	31 July 2019	<ol style="list-style-type: none"> <li>1. The Company's Shares outperform the S&amp;P/ASX 200 Energy Index by 30% or greater, based on performance over the four year period to 31 July 2019, and adjusted for franking credits and dividends.</li> </ol>

If all of the relevant performance hurdles for an Option type are not fully satisfied by the First Exercise Date applicable to that Option, the Option will lapse.

The Directors eligible to participate in the ESOP are Mr Shearwood and Mr Peters, subject to the rules of the ESOP including that those Directors receive an invitation from the Board.

The Options, if approved for grant, will form part of Mr Shearwood's and Mr Peters' respective remuneration packages. The Options will be in addition to the salary payable to Mr Shearwood and Mr Peters.

The Board notes that the grant of the Options to each of Mr Shearwood and Mr Peters is within the guidelines on executive director remuneration in Recommendation 8.2 of the ASX's Corporate Governance Principles and Recommendations. Under the Corporate Governance Principles and Recommendations, equity-based remuneration can be an effective form of remuneration, especially when linked to hurdles that are aligned to the entity's longer-term performance objectives.

The Board considers the grant of the Options to each of Mr Shearwood and Mr Peters to be reasonable and appropriate in the circumstances for the following reasons:

- If the future Share price of the Company's Shares does not reach the premium exercise price set for the Options and the Options are not exercised then there will be no cash flow or dilutive impact on Shareholders;
- If the Company's Share price does reach the premium exercise price set for the Options and the Options are exercised, then Shareholders will receive a significant cash flow benefit in excess of the accounting cost of the benefit provided, and while there will be a dilutive impact on all Shareholders if the Options are exercised, then resultant growth in the Company's market capitalisation will significantly compensate Shareholders for any dilution;
- A Black Scholes calculation values the Options at nil.

If Resolutions 4 and 5 are approved, each Director in office at the date of the Annual General Meeting will have the following interests in the Company's securities:

Director	Shares	Existing Options	New Options
Mr David Kit Shearwood	<ul style="list-style-type: none"> <li>186,772 as Registered Holder of ordinary shares.</li> <li>Relevant interest in 104,767,190 ordinary shares in which Allied Resource Partners Pty Ltd has a relevant interest, pursuant to section 608(3)(a) of the Corporations Act. By virtue of Mr Shearwood's ownership of 22.47% of the issued capital of Allied Resource Partners Pty Ltd, Mr Shearwood is deemed to have a relevant interest in any shares in which Allied Resource Partners has a relevant interest.</li> </ul>	Nil	1,000,000
Mr Daniel J D Peters	Nil	Nil	1,000,000

### Key Details of the Options

The full terms and conditions of the Options are set out in Annexure A. The key terms of the Options are as follows:

Item	Details	
<b>Maximum number of Options to be issued to each of Mr Shearwood and Mr Peters</b>	1,000,000	
<b>Issue date</b>	Each Option will be issued as soon as reasonably practicable following Shareholder approval and in any case, not more than 12 months after the approval of Shareholders is obtained.	
<b>Exercise Price of each Option</b>	\$1.50 (subject to possible adjustment in accordance with the terms and conditions of the Options set in Annexure A).	
<b>Underlying Securities</b>	Each Option is an Option to subscribe for 1 fully paid ordinary Share (subject to possible adjustment in accordance with the terms and conditions of the Options set in Annexure A).	
<b>Consideration</b>	Each Option will be granted for no consideration.	
<b>Terms of issue</b>	The full terms and conditions of the Options are set out in Annexure A.	
<b>Intended use of the funds raised</b>	If any Options are exercised, the funds received on exercise will be used for general working capital purposes.	
<b>First Exercise Date (subject to performance hurdles described above)</b>	A Options	31 July 2016
	B Options	31 July 2017
	C Options	31 July 2018
	D Options	31 July 2019
<b>Last Exercise Date</b>	31 July 2020	

### ASX Listing Rule 10.14

Under ASX Listing Rule 10.14, an entity must not permit a director or an associate of the director to acquire securities under an employee incentive scheme without the approval of ordinary shareholders.

Accordingly, Shareholder approval is sought for the grant of the Options to Mr David Kit Shearwood and Mr Daniel J D Peters, each being a director, for the purposes of ASX Listing Rule 10.14.

If approval is given under Listing Rule 10.14, Shareholder approval is not required under Listing Rules 10.11, as exception 4 in Listing Rule 10.12 will apply.

#### **ASX Listing Rule 7.1**

At the Company's 2013 Annual General Meeting, Shareholders approved the ESOP for the purposes of exception 9 of ASX Listing Rule 7.2. As a result of that approval, any securities issued under the ESOP within the 3 year period ending 21 November 2016 will not be included when calculating the 15% cap for the purposes of ASX Listing Rule 7.1.

Accordingly, approval pursuant to ASX Listing Rule 7.1 is not separately required for the grant of the Options.

Since the last approval of the ESOP at the Company's 2013 Annual General Meeting, no Options have been granted under the ESOP.

#### **Chapter 2E of the Corporations Act**

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a related party of the Company unless Shareholder approval is obtained for the giving of the benefit, or the giving of the benefit falls within one of the exceptions in sections 210 to 216 of the Corporations Act.

Each of the Directors is a related party of the Company under section 228(2) of the Corporations Act by virtue of being a Director. The grant of the Options to each of Mr Shearwood and Mr Peters would constitute the giving of a financial benefit to them. However, it is the view of the Board that the proposed grant of the Options falls under one of the exceptions in the Corporations Act.

The relevant exception is set out in section 211(1) of the Corporations Act and states that shareholder approval is not required in order to give a financial benefit to a related party if that benefit is reasonable remuneration given to an officer or employee of the company.

For the reasons outlined above, the Board has formed the view that the financial benefit proposed to be given to each of Mr Shearwood and Mr Peters by way of the grant of Options amounts to reasonable remuneration given to them in their capacity as an officer of the Company. As a result, the Board is of the view that the exception in section 211(1) of the Corporations Act applies to the proposed grant of the Options and therefore the approval of Shareholders is not required for the giving of the benefit.

#### **Recommendation of Directors**

Mr Shearwood has a material personal interest in the outcome of Resolution 4 and declines to make any recommendation in relation to the Resolution.

Mr Peters has a material person interest in the outcome of Resolution 5 and declines to make any recommendation in relation to the Resolution.

Further, in accordance with ASIC guidance on the matter, each Director considers that it is not appropriate for him to make a recommendation in relation to the remuneration of another Director. Accordingly, all Directors decline to make any recommendation to Shareholders in relation to Resolution 4 and Resolution 5.

A voting exclusion statement for each of Resolution 4 and Resolution 5 is set out in the Notice. The Chairman intends to vote available undirected proxies in favour of Resolution 4 and Resolution 5.



## **Resolution 6 – Appointment of Auditor**

Resolution 6 seeks Shareholder approval to appoint Grant Thornton Audit Pty Ltd as the auditor of the Company.

Grant Thornton has changed from a state based federation of firms into a single national firm. Accordingly, they are transferring all of their audit appointments into a single national audit entity (Grant Thornton Audit Pty Ltd) to replace their various state based audit entities. For public companies the appointment of a new audit entity requires a resolution of shareholders at the Annual General Meeting.

To give effect to the change the current Grant Thornton audit entity has requested ASIC consent to resign in favour of their new national authorised audit company, Grant Thornton Audit Pty Ltd. Resolution 6 is conditional upon ASIC's consent to the resignation of Grant Thornton South Australian Partnership, and the Company anticipates that this consent will be forthcoming.

In accordance with section 328B of the Corporations Act, notice in writing nominating Grant Thornton Audit Pty Ltd has been given to the Company by a Shareholder. A copy of this notice is included in Annexure C. Grant Thornton Audit Pty Ltd has consented to act as auditor.

The appointment of Grant Thornton Audit Pty Ltd will be by vote of Shareholders as an ordinary resolution.

Subject to approval by Shareholders and consent by ASIC, the appointment of Grant Thornton Audit Pty Ltd will be effective for the audit of the 2016 financial year. Grant Thornton South Australian Partnership remained responsible for the audit for the 2015 financial year.

The Directors recommend that the shareholders vote in favour of Resolution 6. The Chairman intends to vote undirected proxies in favour of Resolution 6.

## GLOSSARY

In this Explanatory Memorandum, the following terms have the following unless the context otherwise requires:

**"10% Placement Capacity"** is defined in the notes about Resolution 2 in the Explanatory Memorandum.

**"Annual Report"** means the annual report of the Company for the year ended 30 June 2015.

**"Auditors"** means the Company's duly appointed auditors.

**"ASIC"** means the Australian Securities and Investments Commission.

**"ASX"** means ASX Limited ACN 008 624 691.

**"Board"** means the Board of Directors from time to time.

**"Chair"** or **"Chairman"** means the chairman of the Company who will chair the Meeting.

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

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or of the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member or be influenced by the member, in the member's dealings with the Company; or
- (e) a company the member controls.

**"Company"** or **"Leigh Creek Energy"** means Leigh Creek Energy Limited ABN 31 107 531 822.

**"Constitution"** means the constitution of the Company from time to time.

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

**"Directors"** means the directors of the Company from time to time and **"Director"** means any one of them.

**"Directors' Report"** means the report entitled "Directors' Report" in the Annual Report of the Company.

**"Equity Securities"** in relation to the securities of the Company means a Share, an option over an issued or unissued security, any right to a Share or option over an issued or unissued security, or a convertible security.

**"Explanatory Memorandum"** means this explanatory memorandum.

**"Key Management Personnel"** means those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any Director (whether executive or otherwise).

**"Listing Rules"** means the listing rules of ASX and any other rules of ASX which are applicable while the Company is admitted to the official list of ASX, each as amended or replaced from time to time, except to the extent of any express written waiver by ASX.

**"Managing Director"** means the managing director of the Company and Mr David Kit Shearwood is the current managing director.

**"Meeting"** or **"Annual General Meeting"** means the annual general meeting of Shareholders of the Company or any adjournment thereof, convened by the Notice.

**"Notice"** or **"Notice of Annual General Meeting"** means the notice of general meeting which accompanies this Explanatory Memorandum.

**"Option"** means an option exercisable for a Share.

**“Remuneration Report”** means the remuneration report contained in the Directors’ Report section of the Annual Report.

**“Resolution”** means a resolution referred to in the Notice.

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

**“Shareholder”** means a holder of Shares in the Company.

**“Trading Day”** means a day determined by ASX to be a trading day in accordance with the Listing Rules.

**“VWAP”** means Volume Weighted Average Price of the Company’s ASX-listed Shares trading under the code LCK.

## Annexure A

### OPTIONS TERMS AND CONDITIONS

The TERMS AND CONDITIONS appearing below are an abridged form of the terms and conditions that apply to the Options the subject of Resolutions 4 and 5 to be issued under the Company's Employee Share Option Plan (as amended from time to time) (**ESOP**). To the extent of any inconsistency between the ESOP and the Terms and Conditions the ESOP will prevail and the Terms and Conditions modified to the extent of the inconsistency.

1. The Option holder is entitled on payment of the applicable exercise price for the relevant Option to be allotted one ordinary fully paid share for each Option exercised. The exercise price for the (A, B, C or D) Options are \$1.50.
2. Options held by the Option holder are exercisable from the First Exercise Date (subject to satisfaction of the Performance Hurdles) up to and including the Last Exercise Date for the relevant class of Options as set out below (the Exercise Period). Reminder notices will be forwarded to the Option holder prior to the Last Exercise Date for each Option.

Option Type	First Exercise Date	Last Exercise Date	Summary of Performance Hurdles
A Options	31 July 2016	31 July 2020	<ol style="list-style-type: none"><li>1. Attainment of a JORC 2012 compliant coal resource for PEL 650.</li><li>2. Attainment of a gas certification report.</li><li>3. Attainment of Government approvals for an ISG Pilot Plant.</li></ol>
B Options	31 July 2017	31 July 2020	<ol style="list-style-type: none"><li>1. Completion of the prefeasibility study for the Leigh Creek Energy Project.</li><li>2. Pilot plant gas flared.</li></ol>
C Options	31 July 2018	31 July 2020	<ol style="list-style-type: none"><li>1. Government commercial approvals completed.</li></ol>
D Options	31 July 2019	31 July 2020	<ol style="list-style-type: none"><li>1. The Company's Shares outperform the S&amp;P/ASX 200 Energy Index by 30% or greater, based on performance over the four year period to 31 July 2019, and adjusted for franking credits and dividends.</li></ol>

3. If the relevant performance hurdle for an Option is not satisfied by the First Exercise Date applicable to that Option, the Option will lapse. Each Option that is not exercised on or before the Last Exercise Date for that Option will lapse. Unexercised Options will also lapse if the Option holder ceases to be a Director of the Company during the relevant Exercise Period for those Options unless the Option holder ceases to be a Director by reason of permanent disability, death or retirement, in which case the Option holder will have 1 month or such longer period as the Board may determine to exercise any remaining unexercised Options. Any longer period granted by the Board to exercise an Option must not exceed the relevant Last Exercise Date for that Option.

4. An Option is exercisable by notice in writing to the Company lodged at the office of the Company's share registry together with payment of the Exercise Price for each Option exercised. The minimum number of Options which may be exercised at any time is a marketable parcel except where less than that number is held in which case all Options held by one holder must be exercised.
5. The Company will not apply for official quotation of Options on the ASX. The Company will make application for official quotation on the ASX of new shares allotted on exercise of Options. Shares allotted on exercise of Options will participate equally in all respects with existing issued ordinary shares. In particular, shares allotted on exercise of Options will qualify for dividends declared after the date of allotment.
6. Options carry no right (without exercising the Options) to participate in rights issues which may be offered by the Company to its shareholders after the date of issue of the Options or in bonus issues or dividends. However the Company must give prior notice to Option holders of any new issue before the record date for determining entitlements to the issue in accordance with the ASX Listing Rules and Option holders have the right to exercise the Options prior to the record date for determining entitlements.
7. If during the currency of the Options the issued capital of the Company is reorganised, the rights of the Option holder in respect of those Options may be varied to comply with the ASX Listing Rules which apply to the reorganisation.
8. If the Company makes a rights issue (other than a bonus issue), the exercise price of Options on issue will be reduced according to this formula:

$$A = O - \frac{E [P - (S + D)]}{(N + 1)}$$

Where:

A = the new exercise price of the Option;

O = the old exercise price of the Option;

E = the number of underlying ordinary shares into which one Option is exercisable

P= the average closing sale price per ordinary share (weighted by reference to volume) recorded on the stock market of ASX during the 5 trading days ending on the day before the ex rights date or ex entitlements date (excluding special crossings and overnight sales);

S= the subscription price for an ordinary share under the pro rata issue;

D= the dividend due but not yet paid on each ordinary share at the relevant time (except those to be issued under the pro rata issue); and

N= the number of ordinary shares that must be held to entitle holders to receive a right to one new ordinary share in the pro rata issue.

9. If there is a bonus issue to the holders of ordinary shares in the capital of the Company, the number of ordinary shares over which the Option is exercisable will be increased by the number of ordinary shares which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.
10. Prior to the exercise of the Options, the Options may not be transferred at any time to any person.

11. Option holders appearing on the Company's Register of Option holders at the relevant date will be entitled to receive and will be sent all reports and accounts required to be laid before shareholders in general meetings and all notices of general meetings and will have the right to attend but shall have no right to vote at such meetings.

**Annexure B - Information required under Listing Rule 7.3A.6**

Total Equity Securities on Issue 12 months prior to 19 November 2015<sup>+</sup> – **92,207,789**

Total number of Equity Securities Issued in the 12 months prior to 19 November 2015 – **138,311,683**

Percentage Issued of the Total Equity Securities on Issue 12 months prior to 19 November 2015 – **149.99%**

<sup>+</sup>includes Shares, unquoted options, performance rights, and convertible notes

**Equity Securities issued in 12 months prior to 19 November 2015:**

<b>Date of issue</b>	<b>29 June 2015</b>
<b>Number of Equity Securities issued</b>	<b>138,311,683</b>
<b>Class/Type of Equity Security</b>	<b>Ordinary</b>
<b>Summary of terms</b>	<b>Detailed in the Notice of EGM dated 27 May 2015.</b>
<b>Names of persons who received securities or basis on which those persons was determined</b>	<b>Vendors of the transaction detailed in the Notice of EGM dated 27 May 2015.</b>
<b>Price</b>	<b>Consideration for the acquisition of ARP TriEnergy Pty Ltd as detailed in the Notice of EGM dated 27 May 2015.</b>
<b>Discount to market price (if any)</b>	<b>N/A</b>
<b><i>For cash issues</i></b>	
<b>Total cash consideration received:</b>	<b>N/A</b>
<b>Amount of cash consideration spent:</b>	<b>N/A</b>
<b>Use of cash consideration:</b>	<b>N/A</b>
<b>Intended use for remaining amount of cash (if any):</b>	<b>N/A</b>
<b><i>For non-cash issues</i></b>	
<b>Non-cash consideration paid:</b>	<b>All shares in ARP TriEnergy Pty Ltd as detailed in 27 May 2015 Notice of EGM.</b>
<b>Current value of that non-cash consideration:</b>	<b>Valuation provided in 27 May 2015 Notice of EGM.</b>



## Annexure C – Nomination of Auditor

The Company Secretary  
Leigh Creek Energy Limited  
PO Box 12  
Adelaide SA 5000

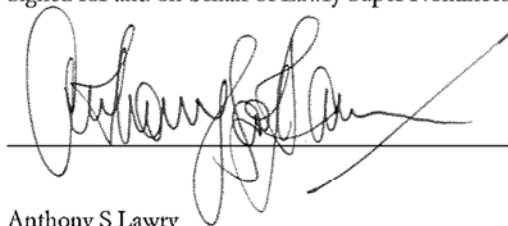
25 September 2015

### **NOMINATION OF AUDITOR**

In accordance with the provisions of s328B(1) of the Corporations Act 2001, Lawry Super Nominees Pty Ltd <Lawry Family Super Fund A/C>, being a member of Leigh Creek Energy Limited hereby nominate Grant Thornton Audit Pty Limited of Level 1, 67 Greenhill Road, Wayville SA 5034 for appointment as auditor of the Company at the Annual General Meeting to be held on 19 November 2015 at Level 11, 19 Grenfell Street Adelaide SA 5000.

Please distribute copies of this notice of nomination as required by s328B(3) of the Corporations Act 2001.

Signed for and on behalf of Lawry Super Nominees Pty Ltd <Lawry Family Super Fund A/C>

A handwritten signature in black ink, appearing to read 'Anthony S Lawry', is written over a horizontal line. A diagonal line extends from the end of the signature towards the top right of the page.

Anthony S Lawry  
Director



ABN 31 107 531 822

## Lodge your vote:



Online:

[www.investorvote.com.au](http://www.investorvote.com.au)



By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555



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(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

## For all enquiries call:

(within Australia) 1300 556 161  
(outside Australia) +61 3 9415 4000

## Proxy Form

XX

 <b>Vote and view the annual report online</b> <ul style="list-style-type: none"><li>• Go to <a href="http://www.investorvote.com.au">www.investorvote.com.au</a> or scan the QR Code with your mobile device.</li><li>• Follow the instructions on the secure website to vote.</li></ul>	
<b>Your access information that you will need to vote:</b>  <p>PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.</p>	

 **For your vote to be effective it must be received by 9:30am (Adelaide time) on Tuesday 17 November 2015**

## How to Vote on Items of Business

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

### Appointment of Proxy

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

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

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

**A proxy need not be a securityholder of the Company.**

## Signing Instructions for Postal Forms

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

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

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

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

## Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,  
or turn over to complete the form** ➔



**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Leigh Creek Energy Ltd hereby appoint

☐

the Chairman  
of the Meeting **OR**



**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Leigh Creek Energy Ltd to be held at Level 11, 19 Grenfell Street Adelaide South Australia on Thursday 19 November 2015 at 9:30am (Adelaide time), and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 3, 4 & 5 (except where I/we have indicated a different voting intention below) even though Items 3, 4 & 5 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 3, 4 & 5 by marking the appropriate box in step 2 below.

## STEP 2 Items of Business



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

### Business

		For	Against	Abstain
1	Re-election of Mr Gregory D English as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Approval of Additional 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Adoption of the Remuneration Report for the year ended 30 June 2015	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Grant of Options to David Kit Shearwood	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Grant of Options to Daniel J D Peters	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## SIGN

### Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact  
Name

\_\_\_\_\_

Contact  
Daytime  
Telephone

\_\_\_\_\_

Date / /

\_\_\_\_\_