
ALICE QUEEN LIMITED

ACN 099 247 408

NOTICE OF ANNUAL GENERAL MEETING

TIME: 11:00am (AEDT)

DATE: 30 November 2016

PLACE: Moore Stephens
Level 18
530 Collins Street
Melbourne Victoria

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 3) 8669 1408.

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IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is hereby given that the 2016 Annual General Meeting (**Meeting**) of Shareholders of Alice Queen Limited (Alice Queen or the Company) will be held at the office of Moore Stephens, Level 18, 530 Collins Street Melbourne Victoria on 30 November 2016 at 11.00am AEDT.

The Explanatory Statement that accompanies and forms part of this Notice of Annual General Meeting (**Notice**) sets out the background information on the various matters to be considered. This Notice and Explanatory Statement should be read in their entirety.

YOUR VOTE IS IMPORTANT

The business of the Meeting affects your shareholding and your vote is important.

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 7:00 pm (AEDT) on 28 November 2016.

VOTING IN PERSON

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

VOTING BY PROXY

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

In accordance with section 249L of the *Corporations Act 2001* (Cth), members are advised that:

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

A proxy may be an individual or a body corporate. If a body corporate is appointed, the proxy form must indicate the full name of the body corporate and the full name and title of the individual representative of the body corporate for the meeting.

A proxy form accompanies this notice. If a shareholder wishes to appoint more than 1 proxy, they may make a copy of the proxy form attached to this notice. For the proxy form to be valid it must be received together with the power of attorney or other authority (if any) under which the form is signed, or a (notarially) certified copy of that power or authority.

Sections 250BB and 250BC of the Corporations Act apply to voting by proxy. Broadly, these provisions provide that:

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

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

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

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

Transfer of non-chair proxy to chair in certain circumstances

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

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

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

Proxy Voting by the Chair

The *Corporations Act 2011* (Cth) (as amended) imposes prohibitions on Key Management Personnel and their Closely Related Parties from voting their shares (and/or voting undirected proxies) on, amongst other things, remuneration matters. Resolutions 1, 3, 4 and 5 are connected, directly or indirectly, with the remuneration of Key Management Personnel of the Company.

However, the Chair of a meeting may vote an undirected proxy (i.e. a proxy that does not specify how it is to be voted), provided the shareholder who has lodged the proxy has given an express voting direction to the Chair to exercise the undirected proxy, even if the resolution is connected with the remuneration of a member of Key Management Personnel. However, the Chair may not vote undirected proxies cast on behalf of Key Management Personnel or their Closely Related Parties on Resolution 1.

If you complete a proxy form that authorises the Chair of the Meeting to vote on your behalf as proxy, and you do not mark any of the boxes so as to give him directions about how your vote should be cast, then you will be taken to have expressly authorised the Chair to exercise your proxy on Resolutions 1, 3, 4 and 5. In accordance with this express authority provided by you, the Chairman will vote in favour of Resolutions 1, 3, 4 and 5 (unless you are a member of the Key Management Personnel or a Closely Related Party, in which case your vote can not be cast on Resolution 1). If you wish to appoint the Chair of the Meeting as your proxy, and you wish to direct him how to vote, please tick the appropriate boxes on the form.

The Chairman intends to vote all available undirected proxies in favour of each item of business.

Subject to the above, if you appoint as your proxy any Director of the Company, except the Chairman, or any other Key Management Personnel or any of their Closely Related Parties and you do not direct your proxy how to vote on Resolution 1, he or she will not vote your proxy on that item of business.

CORPORATE REPRESENTATIVES

Any corporation which is a member of the Company may appoint a proxy, as set out above, or authorise (by certificate under common seal or other form of execution authorised by the laws of that corporation's place of incorporation, or in any other manner satisfactory to the Chair) a natural person to act as its representative at any general meeting.

Corporate representatives are requested to bring appropriate evidence of appointment as a representative in accordance with the Constitution. Attorneys are requested to bring an original or certified copy of the power of attorney pursuant to which they were appointed. Proof of identity is also required for corporate representatives and attorneys.

SPECIAL RESOLUTIONS

For a special resolution to be passed, at least 75% of the votes validly cast on the resolution by shareholders (by number of shares) must be in favour of the resolution. Resolution 6 is a special resolution.

QUESTIONS FROM SHAREHOLDERS

The Chairman of the meeting will allow a reasonable opportunity for shareholders to ask questions or make comments on the management of the Company at the meeting. Members with specific queries concerning any aspect of the Financial Report for the year ended 30 June 2016 are requested to submit those queries in writing to the Company Secretary by no later than 15 November 2016 to enable the Board time to consider the queries and where appropriate to make enquires of the Auditor.

By mail: Company Secretary
Suite 2, Ground Floor, 21-25 Macquarie Street
Prahran, Victoria 3181

By email: anne.adaley@alicequeen.com.au

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2016 together with the Directors' declaration, the Directors' report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1: ADOPTION OF REMUNERATION REPORT

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

"That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2016."

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

Voting Prohibition Statement:

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

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

Each a **Restricted Voter**.

However, a Restricted Voter described above may cast a vote on this Resolution as a proxy if:

- (c) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; and
- (d) it is not cast on behalf of a Restricted Voter.

If you appoint the person chairing the meeting (**Chairman**) as your proxy (and you are not a Restricted Voter) by marking the box on and submitting the Proxy Form, you authorise the Chairman to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Company's key management personnel and you will be taken to have directed the Chairman to vote in accordance with his stated intention to vote in favour of Resolution 1. If you have appointed the Chairman as your proxy and you do not want your vote exercised in favour of Resolution 1, you should not mark the box on the Proxy Form or otherwise direct the Chairman to vote "against" or to "abstain" from voting on Resolution 1.

3. RESOLUTION 2: RE-ELECTION OF DIRECTOR – MARK KERR

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

"That, for the purpose of clause 13.2 of the Constitution and for all other purposes, Mr Mark Kerr, a Director who retires by rotation, and being eligible, is re-elected as a Director."

4. RESOLUTION 3: ISSUE OF OPTIONS TO A RELATED PARTY – PHILLIP HARMAN

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

"That, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to allot and issue 616,050 Options to Phillip Harman (or his nominee) on the terms and conditions set out in the Explanatory Statement."

ASX Voting Exclusion: The Company will disregard any votes cast on this Resolution by Phillip Harman and any of his associates. However, the Company need not disregard a vote if it is cast by a person as a 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.

Voting Prohibition Statement:

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

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the Chair; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

5. RESOLUTION 4: ISSUE OF OPTIONS TO A RELATED PARTY – ANDREW BUXTON

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

"That, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to allot and issue 616,050 Options to Andrew Buxton (or his nominee) on the terms and conditions set out in the Explanatory Statement."

ASX Voting Exclusion: The Company will disregard any votes cast on this Resolution by Andrew Buxton and any of his associates. However, the Company need not disregard a vote if it is cast by a person as a 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.

Voting Prohibition Statement:

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

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the Chair; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

6. RESOLUTION 5: ISSUE OF OPTIONS TO A RELATED PARTY – MARK KERR

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

"That, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to allot and issue 616,050 Options to Mark Kerr (or his nominee) on the terms and conditions set out in the Explanatory Statement."

ASX Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mark Kerr and any of his associates. However, the Company need not disregard a vote if it is cast by a person as a 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.

Voting Prohibition Statement:

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

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the Chair; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

7. RESOLUTION 6: APPROVAL OF 10% PLACEMENT CAPACITY – SHARES

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

"That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a 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.

DATED: 28 OCTOBER 2016

BY ORDER OF THE BOARD



ANNE ADALEY

COMPANY SECRETARY

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders deciding whether or not to pass the Resolutions which are the subject of the business of the Meeting.

1. FINANCIAL STATEMENTS AND REPORTS – AGENDA ITEM

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2016 together with the Directors' declaration, the Directors' report, the Remuneration Report and the auditor's report. There is no requirement that Shareholders formally approve the reports comprising the annual financial report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report to Shareholders is available on its website www.alicequeen.com.au.

The Chair will allow a reasonable opportunity at the Meeting for Shareholders to ask questions. Shareholders will also be given a reasonable opportunity at the meeting to ask the Company's auditor questions about its audit report, the conduct of its audit of the Company's financial report for the year ended 30 June 2016, the preparation and content of its audit report, the accounting policies adopted by the Company in its preparation of the financial statements and the independence of the Company's auditor in relation to the conduct of the audit.

2. RESOLUTION 1: ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

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

2.2 Voting consequences

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

If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the previous financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the Remuneration Report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

However, in the event that 25% or more of votes that are cast are against adoption of the 2016 Remuneration Report, Shareholders should be aware that if a 'no' vote of 25% or more of the same resolution at the 2017 Annual General Meeting the consequence are that it may result in the re-election of the Board.

2.4 Proxy voting restrictions

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

If you appoint a member of the Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member as your proxy -

You must direct your proxy how to vote on this Resolution. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

If you appoint the Chair as your proxy (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member)-

You **do not** need to direct your proxy how to vote on this Resolution.

If you appoint any other person as your proxy -

You **do not** need to direct your proxy how to vote on this Resolution.

3. RESOLUTION 2: RE-ELECTION OF DIRECTOR – MARK KERR

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

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

The Company currently has three Directors including the Managing Director. Accordingly, one Director must retire in accordance with clause 13.2 of the Constitution. A Director who retires by rotation under clause 13.2 of the Constitution is eligible for re-election.

In accordance with Clause 13.2 of the Constitution, Mr Mark Kerr will retire at the end of the Annual General Meeting and will seek re-election pursuant to Resolution 2 of the Notice of Annual General Meeting.

Details on this candidate:

Mark Kerr is a director of Berkeley Consultants Pty Ltd which specialises in public relations and reputation management consultancy. He has specialist expertise in the areas of finance, marketing, property, political and issues management. Mark is also a director and adviser to various private companies.

Mark's community involvement currently extends to being a member of the Victorian Committee for the Juvenile Diabetes Research Foundation. He is also a committee member of the St Vincent's Institute Charity Golf Day Committee.

The Directors unanimously support the re-election of Mark Kerr as a Director of the Company (with Mr Kerr abstaining).

4. RESOLUTION 3: ISSUE OF OPTIONS TO A RELATED PARTY – PHILLIP HARMAN

Under ASX Listing Rule 10.11, shareholder approval is required for the issue of equity securities to a related party of a listed company. Once approval is obtained pursuant to Listing Rule 10.11, the Company is entitled to rely on Listing Rule 7.2, Exception 14 as an exception to any requirement that may otherwise apply requiring shareholder approval under Listing Rule 7.1.

In accordance with existing remuneration and incentive arrangements, the Company proposes to issue 616,050 unlisted options to a Director, Mr Phillip Harman (or his nominee).

The Board has formed the view that the issue of options to Mr Harman does not require shareholder approval under section 208 of the Corporations Act, as the issue of options constitutes 'reasonable remuneration' in accordance with section 211 of the Corporations Act. In reaching this view, the Company has considered Mr Harman's position, responsibility and his over remuneration package and the need of the Company to effectively incentivise its Directors, while aligning the incentive with increasing shareholder value and the desirability of preserving cash resources within the Company.

ASX Listing Rule 10.13 requires the meeting documents concerning a proposed resolution to approve an issue of securities in accordance with ASX Listing Rule 10.11 must include the following information:

- The options will be issued to Phillip Harman (or his nominee).
- The maximum number of securities to be issued is 616,050 unlisted options to acquire ordinary shares.

- There is no issue price for the unlisted options.
- The options have an exercise price of \$0.038 (3.8 cents). Each Option will expire at 5.00pm (EST) on the date that is three years from the date on which the Options were issued (Expiry Date). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date. The options will not vest, and therefore not be capable of exercise, until one year after the issue date.
- The Company will issue the options as soon as practical following the date of the Meeting and, in any case, within one (1) month of the date of the Meeting.
- Phillip Harman is a Director of the Company.
- No funds will be raised from issue of the options. Any funds raised upon exercise of the options will be applied to the working capital requirements of the Company at the time of exercise.
- The terms and conditions of the Options are set out in Annexure A.
- A voting exclusion statement is contained in the Notice accompanying this Explanatory Memorandum.

5. RESOLUTION 4: ISSUE OF OPTIONS TO A RELATED PARTY – ANDREW BUXTON

Under ASX Listing Rule 10.11, shareholder approval is required for the issue of equity securities to a related party of a listed company. Once approval is obtained pursuant to Listing Rule 10.11, the Company is entitled to rely on Listing Rule 7.2, Exception 14 as an exception to any requirement that may otherwise apply requiring shareholder approval under Listing Rule 7.1.

In accordance with existing remuneration and incentive arrangements, the Company proposes to issue 616,050 unlisted options to a Director, Mr Andrew Buxton (or his nominee).

The Board has formed the view that the issue of options to Mr Buxton does not require shareholder approval under section 208 of the Corporations Act, as the issue of options constitutes 'reasonable remuneration' in accordance with section 211 of the Corporations Act. In reaching this view, the Company has considered Mr Buxton's position, responsibility and his over remuneration package and the need of the Company to effectively incentivise its Directors, while aligning the incentive with increasing shareholder value and the desirability of preserving cash resources within the Company.

ASX Listing Rule 10.13 requires the meeting documents concerning a proposed resolution to approve an issue of securities in accordance with ASX Listing Rule 10.11 must include the following information:

- The options will be issued to Andrew Buxton (or his nominee).
- The maximum number of securities to be issued is 616,050 unlisted options to acquire ordinary shares.
- There is no issue price for the unlisted options.

- The options have an exercise price of \$0.038 (3.8 cents). Each Option will expire at 5.00pm (EST) on the date that is three years from the date on which the Options were issued (Expiry Date). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date. The options will not vest, and therefore not be capable of exercise, until one year after the issue date.
- The Company will issue the options as soon as practical following the date of the Meeting and, in any case, within one (1) month of the date of the Meeting.
- Andrew Buxton is a Director of the Company.
- No funds will be raised from issue of the options. Any funds raised upon exercise of the options will be applied to the working capital requirements of the Company at the time of exercise.
- The terms and conditions of the Options are set out in Annexure A.
- A voting exclusion statement is contained in the Notice accompanying this Explanatory Memorandum.

6. RESOLUTION 5: ISSUE OF OPTIONS TO A RELATED PARTY – MARK KERR

Under ASX Listing Rule 10.11, shareholder approval is required for the issue of equity securities to a related party of a listed company. Once approval is obtained pursuant to Listing Rule 10.11, the Company is entitled to rely on Listing Rule 7.2, Exception 14 as an exception to any requirement that may otherwise apply requiring shareholder approval under Listing Rule 7.1.

In accordance with existing remuneration and incentive arrangements, the Company proposes to issue 616,050 unlisted options to a Director, Mr Mark Kerr (or his nominee).

The Board has formed the view that the issue of options to Mr Kerr does not require shareholder approval under section 208 of the Corporations Act, as the issue of options constitutes 'reasonable remuneration' in accordance with section 211 of the Corporations Act. In reaching this view, the Company has considered Mr Kerr's position, responsibility and his over remuneration package and the need of the Company to effectively incentivise its Directors, while aligning the incentive with increasing shareholder value and the desirability of preserving cash resources within the Company.

ASX Listing Rule 10.13 requires the meeting documents concerning a proposed resolution to approve an issue of securities in accordance with ASX Listing Rule 10.11 must include the following information:

- The options will be issued to Mark Kerr (or his nominee).
- The maximum number of securities to be issued is 616,050 unlisted options to acquire ordinary shares.
- There is no issue price for the unlisted options.

- The options have an exercise price of \$0.038 (3.8 cents). Each Option will expire at 5.00pm (EST) on the date that is three years from the date on which the Options were issued (Expiry Date). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date. The options will not vest, and therefore not be capable of exercise, until one year after the issue date.
- The Company will issue the options as soon as practical following the date of the Meeting and, in any case, within one (1) month of the date of the Meeting.
- Mark Kerr is a Director of the Company.
- No funds will be raised from issue of the options. Any funds raised upon exercise of the options will be applied to the working capital requirements of the Company at the time of exercise.
- The terms and conditions of the Options are set out in Annexure A.
- A voting exclusion statement is contained in the Notice accompanying this Explanatory Memorandum.

7. RESOLUTION 6: APPROVAL OF 10% PLACEMENT CAPACITY – SHARES

7.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Capacity**).

If Shareholders approve Resolution 6, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in section 7.2 below).

The effect of Resolution 6 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 6 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 6 for it to be passed.

7.2 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- is not included in the S&P/ASX 300 Index; and
- has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$7,982,530.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has two classes of Equity Securities on issue, being the Shares (ASX Code: AQX) and listed Options (AQXO).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

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

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
- (i) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
 - (ii) plus the number of partly paid shares that became fully paid in the previous 12 months;
 - (iii) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without Shareholder approval; and
 - (iv) less the number of Shares cancelled in the previous 12 months.
- D** is 10%.
- E** is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

7.3 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution:

(a) **Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the VWAP of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in section 10.3(a)(i), the date on which the Equity Securities are issued.

(b) **Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid),

(10% Placement Capacity Period).

(c) Risk of voting dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 6 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	\$0.018 50% decrease in Issue Price	\$0.036 Issue Price	\$0.072 100% increase in Issue Price
221,736,948 (Current Variable A)	Shares issued: 10% voting dilution	22,173,695	22,173,695	22,173,695
	Funds raised	\$399,127	\$798,253	\$1,596,506
332,605,422 (50% increase in Variable A)	Shares issued: 10% voting dilution	33,260,542	33,260,542	33,260,542
	Funds raised	\$598,690	\$1,197,380	\$2,394,759
443,473,896 (100% increase in Variable A)	Shares issued: 10% voting dilution	44,347,390	44,347,390	44,347,390
	Funds raised	\$798,253	\$1,596,506	\$3,193,012

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1

The table above uses the following assumptions:

1. There are currently 221,736,948 Shares on issue comprising.
2. The issue price set out above is the closing price of the Shares on the ASX on 10 October 2016.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
8. 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%.
9. 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.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) Purpose of Issue under 10% Placement Capacity

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) non-cash consideration including in connection with arrangements or agreements, payment of contractors or consultants or the acquisition of new assets, businesses or investments, in which event the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3; or
- (ii) cash consideration, the proceeds of which will be applied to fund the Company's existing and future activities, appraisal of corporate opportunities, investments in new businesses (if any), the costs incurred in undertaking placement(s) of shares under Listing Rule 7.1A and for general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

(e) **Allocation under the 10% Placement Capacity**

The allottees of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the allottees of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the allottees at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the allottees under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

(f) **Previous Approval under ASX Listing Rule 7.1A**

No resolution in respect of approval under ASX Listing Rule 7.1A was put to Shareholders at the 2015 Annual General Meeting, however the Company has previously obtained Shareholder approval under ASX Listing Rule 7.1A at the 2014 Annual General Meeting.

(g) **Information under Listing Rule 7.3A.6(b):**

As the Company has previously obtained Shareholder approval under Listing Rule 7.1A, and is now seeking Shareholder approval to renew its capacity to issue an additional 10% of its issued capital under Listing Rule 7.1A, it is required by Listing Rule 7.3A.6 to provide details of all issues of securities in the 12 months preceding the date of the meeting.

During the 12 month period preceding the proposed date of the 2016 AGM, being on and from 30 November 2015, the Company issued a total of 152,872,409 Equity Securities (comprising 28,950,000 ordinary shares and 123,922,409 options) which represents approximately 79% of the total number of equity securities on issue in the Company as at 30 November 2015

Further details of the issues of all equity securities made by the Company during the 12 month period preceding the proposed date of the 2016 AGM are set out in Annexure B.

(h) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it will give to ASX:

- (i) a list of the allottees of the Equity Securities and the number of Equity Securities allotted to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 3.10.5A for release to the market.

(i) **Ranking of shares**

Equity securities issued under the 10% Placement Capacity will rank equally with all other existing equity securities on issue in the Company.

7.4 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 6.

GLOSSARY

10% Placement Capacity has the meaning given in section 7.1 of this Notice.

\$ means Australian dollars.

AEDT means Australian Eastern Daylight Time as observed in Melbourne, Victoria.

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

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of 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 the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* (Cth).

Company means Alice Queen Limited (ACN 099 247 408).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

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

Option means an option to acquire a Share.

Option Holder means a holder of an Option.

Ordinary Securities has the meaning set out in the ASX Listing Rules.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Directors' report section of the Company's annual financial report for the year ended 30 June 2016.

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

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

Shareholder means a holder of a Share.

Variable A means "A" as set out in the calculation in section 7.2 of this Notice.

VWAP means volume weighted average price.

ANNEXURE A: TERMS AND CONDITIONS OF OPTIONS

The terms and conditions of the Options to be issued in accordance with Resolutions 3, 4 and 5, are set out below.

a) Entitlement

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

b) Exercise Price

The amount payable upon exercise of each Option will be \$0.38 each (**Exercise Price**).

c) Expiry Date

Each Option will expire at 5.00pm (AEDT) on the date that is three years from the date on which the Options were issued (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

d) Lapse

If the relevant Director ceases to be a Director of the Company, the option holder will have a period of 3 months to exercise the options whereafter any unexercised options shall lapse. For the avoidance of doubt, where a Director is required at a general meeting to retire by rotation or otherwise required at a general meeting to retire in accordance with the Company's Constitution or ASX Listing Rules, and is subsequently reappointed, that retirement shall not result in the accelerated expiry of the options.

In the event of the termination or resignation of the Director due to a takeover or change in control of the Company the provisions as listed in item (k) below will apply.

e) Exercise Period

The Options are exercisable anytime after one year after the issue date and prior to the Expiry Date (**Exercise Period**).

f) Notice of Exercise

The Options may be exercised in whole or in part during the Exercise Period by notice in writing to the Company in the manner specified on the Option Holding Statement (**Notice of Exercise**) and payment of the relevant Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

g) Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the relevant Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

h) Timing of issue of Shares on exercise

Within 10 Business Days after the later of the following:

- i. the Exercise Date; and
- ii. when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

but in any case, no later than 15 Business Days after the Exercise Date, the Company will:

- iii. allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- iv. if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- v. apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (iv) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 15 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

i) Shares issued on exercise

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

j) Quotation of Shares issued on exercise

Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

k) Participation Rights

There are no participation rights or entitlements inherent in the options. Option holders are not entitled to participate in new issues of securities offered to shareholders without first exercising the options. The Company will send notices to option holders at least five (5) business days (or such shorter time period as permitted by the ASX Listing Rules) prior to the record date applying to offers of securities made to shareholders during the currency of the options.

l) Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of an Option Holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

m) Change in exercise price

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

n) Unquoted

The Company will not apply for quotation of the Options on ASX.

o) Transferability

The Options are not transferable unless the Board provides prior written approval to a transfer.

ANNEXURE B: DETAILS OF EQUITY SECURITIES ISSUED

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable)	Form of consideration (cash/non-cash)
7 October 2016	28,950,000	AQX	Issued to professional, sophisticated or otherwise exempt investors in a share placement.	Issue price of \$0.03 (aggregate of \$868,500). Market price at date of issue was \$0.035. Percentage discount of approximately 16.6%.	Cash (\$868,500). Of the funds raised \$430,000 was used for repayment of existing liabilities, the reminding funds will be applied to exploration at the Company's existing projects and for administrative and general working capital requirements per the use of funds table set out in the Prospectus lodged 5 October 2016.
7 October 2016	28,950,000	AQXO	Issued to professional, sophisticated or otherwise exempt investors in a share placement.	N/A. Issued as free-attaching listed options for shares issued under a placement.	Issued as free-attaching unlisted options as part of a placement. AQXO have an exercise price of \$0.03 (3 cents) and expire 30 September 2017. Current value is \$0.014 per option.
7 October 2016	94,972,409	AQXO	Issued to all Australian and New Zealand resident shareholders on the register at 5 October 2016.	N/A. Issued as bonus 1:2 options to existing Shareholders with addresses in Australia and New Zealand as at 5 October 2016	Issued bonus options for Shareholders of the Company with addresses in Australia and New Zealand as at 5 October 2016. AQXO have an exercise price of \$0.03 (3 cents) and expire 30 September 2017. Current value is \$0.014 per option.



ALICE QUEEN LIMITED

ABN 71 099 247 408

Lodge your vote:



Online:

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

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

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Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

Control Number: 139185

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



 **For your vote to be effective it must be received by 11.00am (AEDT) Monday, 28 November 2016**

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 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

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I/We being a member/s of Alice Queen Limited 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 Alice Queen Limited to be held at the office of Moore Stephens, Level 18, 530 Collins Street, Melbourne, Victoria on Wednesday, 30 November 2016 at 11.00am (AEDT) 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 Resolutions 1, 3, 4 and 5 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 3, 4 and 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 Resolutions 1, 3, 4 and 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.

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director - Mark Kerr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Issue of Options to a related party - Phillip Harman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Issue of Options to a related party - Andrew Buxton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Issue of Options to a related party - Mark Kerr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval of 10% Placement Capacity - Shares	<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 / /
