

# **Power Resources Limited**

ACN 125 345 502

## ***Notice of Annual General Meeting***

## ***Explanatory Statement***

***and***

## **Proxy Form**

**1:00 pm (WST) on Wednesday 30 November 2016  
Steinepreis Paganin, Level 4, The Read Buildings, 16 Milligan Street,  
Perth, Western Australia**

# POWER RESOURCES LIMITED

ACN 125 345 502

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Members of Power Resources Limited (**PWW** or the **Company**) will be held on Wednesday, 30 November 2016 commencing at 1:00 pm (WST) at the offices of Steinepreis Paganin, Level 4, The Read Buildings, 16 Milligan Street, Perth, Western Australia.

The Explanatory Statement that accompanies and forms part of this Notice of Annual General Meeting describes in more detail the matters to be considered. Terms used in this Notice of Annual General Meeting have the meaning given to them in the "Definitions" section contained in the Explanatory Statement.

## AGENDA

### BUSINESS OF THE MEETING

#### A. Accounts and reports

To receive and consider the annual financial report of the Company for the financial year ended 0 June 2016 together with the declaration of the directors, the director's report, the Remuneration Report and the auditor's report.

#### B. Resolution 1 – Adoption of the Remuneration Report

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

*"That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report as contained in the Company's Annual Report for the financial year ended 30 June 2016 be adopted."*

**Note:** The vote on this resolution is advisory only and does not bind the Directors of the Company.

#### Voting prohibition statement

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

- a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- a Closely Related Party of such a member, (collectively referred to as a **Prohibited Voter**).

However, the Company need not disregard a vote if:

- it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- it is not cast on behalf of a Prohibited Voter.

Further, a Prohibited Voter who is appointed as a proxy will not vote on resolution 1 unless:

- the appointment specifies the way the proxy is to vote on resolution 1; or
- the proxy is the Chairman of the Meeting and the appointment expressly authorises the Chairman to exercise the proxy even though the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chairman intends to vote any undirected proxies in favour of resolution 1.

Shareholders may also choose to direct the Chairman to vote against resolution 1 or to abstain from voting.

**BY ORDER OF THE BOARD**

**Norman Grafton  
Company Secretary**

**1 November 2016**

# EXPLANATORY STATEMENT

## 1. INTRODUCTION

This Explanatory Statement has been prepared for the information of members of POWER RESOURCES LIMITED in connection with the business to be conducted at the Annual General Meeting of Members to be held at the offices of Steinepreis Paganin, Level 4, The Read Buildings, 16 Milligan Street, Perth, Western Australia, on 30 November 2016 at 1:00 pm (WST).

This Explanatory Statement forms part of, and should be read in conjunction with, the accompanying Notice of Annual General Meeting.

Shareholders should note that all the Directors approved the proposal to put the resolutions to shareholders as outlined in the Notice of General Meeting and to prepare this Explanatory Statement.

## FINANCIAL REPORTS

The Corporations Act requires the Company to lay before the Annual General Meeting its annual financial report and reports of the Directors and Auditor for the last financial year. The annual financial report of the Company for the year ended 30 June 2016 is available on its website at [www.powerresources.com.au](http://www.powerresources.com.au).

Shareholders are not required to vote on these reports. However, shareholders will be given a reasonable opportunity at the Meeting to comment on, or to ask questions about, the management of the Company. Shareholders will also be given a reasonable opportunity to ask the Auditor questions relevant to the Auditor's report, the conduct of the audit, accounting policies adopted by the Company and the independence of the Auditor.

Written questions to the Company's Auditor about the content of the Auditor's report or the conduct of the audit may be submitted no later than 23 November 2016 to:

Power Resources Limited  
PO Box 1618  
West Perth WA 6872.

Facsimile: +618 9481 7835  
Email: [ngrifton@kmm.com.au](mailto:ngrifton@kmm.com.au)

Copies of the questions, if any, to the Company's Auditor will be available at the meeting.

## RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

Under Section 250R(2) of the Corporations Act, the Company must put to its shareholders at each annual general meeting a resolution adopting the report on remuneration of the Company's Key Management Personnel.

The Remuneration Report of the Company for the financial year ended 30 June 2016 is included in the Directors' Report in the Company's 2016 Annual Report. It is also available on the Company's website at [www.powerresources.com.au](http://www.powerresources.com.au).

The Remuneration Report includes:

- An explanation of the Company's policy in relation to the nature and amount of remuneration paid to its Key Management Personnel;
- A discussion of the link between this policy and the Company's performance;
- Details of any element of the remuneration of Directors and executives of the Company which is dependent upon the satisfaction of a performance condition; and
- Details of the total remuneration of each Director (including a breakdown of components of that remuneration) and the senior executives of the Company who receive the highest remuneration.

The vote on this resolution is advisory only and does not bind the Company.

However, if at least 25% of the votes cast are against adoption of the Remuneration Report at the 2016 AGM, and then again at the 2017 Annual General Meeting the Company will be required to put a resolution to the 2016 AGM, to approve calling an extraordinary general meeting (**spill resolution**). If more than 50% of Shareholders vote in favour of the spill resolution, the Company must convene a general meeting (**spill meeting**) within 90 days of the 2017 AGM. All of the Directors who were in office when the 2016 Directors' Report was approved, other than the Managing Director, will (if desired) need to stand for re-election at the spill meeting.

The Remuneration Report explains the Board policies in relation to the nature and level of remuneration paid to Directors, sets out remuneration details for each Director and any service agreements and sets out the details of any share based compensation.

### **Voting Restriction**

Note that a voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. In particular, the Directors and other Prohibited Voters may not vote on this resolution and may not cast a vote as proxy, unless the appointment gives a direction on how to vote or the proxy is given to the Chair and expressly authorises the Chairman to exercise your proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. The Chairman will use any such proxies to vote in favour of the resolution.

Shareholders are urged to carefully read the proxy form and provide a direction to the proxy on how to vote on this resolution.

## DEFINITIONS

<b>ASX</b>	means ASX Limited and where the context permits, the Australian Securities Exchange operated by ASX Limited.
<b>Board</b>	means the Board of Directors.
<b>Closely Related Party</b>	<p>of a member of the Key Management Personnel means:</p> <ul style="list-style-type: none"><li>(a) a spouse or child of the member;</li><li>(b) a child of the member's spouse;</li><li>(c) a dependent of the member or the member's spouse;</li><li>(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;</li><li>(e) a company the member controls; or</li><li>(f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.</li></ul>
<b>Company</b>	means Power Resources Limited ACN 125 345 502
<b>Corporations Act</b>	means Corporations Act 2001 (Cth).
<b>Director</b>	means a director of the Company.
<b>Explanatory Statement</b>	means the explanatory statement accompanying the Notice.
<b>Key Management Personnel</b>	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.
<b>Listing Rules</b>	means the official listing rules of ASX.
<b>Notice</b>	means the Notice of Annual General Meeting accompanying this Explanatory Statement.
<b>Remuneration Report</b>	means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2016.
<b>Share</b>	<p>means a fully paid ordinary share in the capital of the Company and <b>Shares</b> has a corresponding meaning.</p>
<b>Shareholder</b>	means a holder of shares in the issued capital of the Company.
<b>WST</b>	means Australian Western Standard Time

**POWER RESOURCES LIMITED**  
ACN 125 345 502  
**FORM OF PROXY**

The Secretary  
Power Resources Limited  
1st Floor, 8 Parliament Place  
West Perth, WA, 6005

Facsimile: (08) 9481 7835

I/We.....  
of.....

being a shareholder of Power Resources Limited hereby appoint as my/our proxy

☐

the Chairman  
Of the Meeting

OR

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, as the proxy sees fit) at the Annual General Meeting of the Company to be held on Wednesday, 30 November 2016 at 1:00 pm (WST) and at any adjournment thereof.

**AUTHORITY FOR CHAIRMAN TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS**

Where I/we have appointed the Chairman as my/our proxy (or where the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chairman.

**CHAIRMAN'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES**

The Chairman intends to vote undirected proxies in favour of all Resolutions in which the Chairman is entitled to vote.

OR

*Should you desire to direct the proxy how to vote, then please tick the appropriate box below:*

**RESOLUTIONS**

**FOR**

**AGAINST**

**ABSTAIN**

1. Adoption of Remuneration Report

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If no directions are given, the proxy may vote as he thinks fit or may abstain

***If the member is an individual or joint holder:***

.....  
Usual Signature

.....  
Usual Signature

Dated this ..... day of ..... 2016.

***If the member is a Company:***

Signed in accordance with the  
Constitution of the company in  
the presence of:

.....  
Director/Sole Director/Secretary

.....  
Director/Secretary

Dated this ..... day of ..... 2016.

**POWER RESOURCES LIMITED**  
**ACN 125 345 502**

**NOTES**

1. A member entitled to attend and vote is entitled to appoint a proxy. A member that 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.
2. Where more than one proxy is appointed and that appointment does not specify the proportion or number of the member's votes, each proxy may exercise half of the votes.
3. A proxy need not be a member of the Company.
4. A proxy is not entitled to vote unless the instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed is either deposited at the registered office of the Company (1<sup>st</sup> Floor, 8 Parliament Place, West Perth, Western Australia, 6005) or sent by facsimile to that office on Fax: 08 94817835 to be received not less than 48 hours prior to the time of the meeting.
5. The proxy form must be signed personally by the member or his attorney duly authorised in writing. If the member is a company it must execute under its Common Seal or otherwise in accordance with its Constitution and s.127 of the Corporations Act, or its duly authorised attorney. In the case of joint members, the proxy must be signed by at least one of the joint members, personally or by a duly authorised attorney.
6. The Chairman intends to vote all undirected proxies in favour of the resolutions.
7. If the proxy form specifies a way in which the proxy is to vote on any of the resolutions stated above, then the following applies:
  - (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way; and
  - (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolutions, the proxy must not vote on a show of hands; and
  - (c) if the proxy is Chairperson, the proxy must vote on a poll and must vote that way, and
  - (d) if the proxy is not the Chairperson, the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.

If a proxy is also a shareholder, the proxy can cast any votes the proxy holds as a shareholder in any way that the proxy sees fit.

**Attendance and Voting Eligibility**

For the purposes of the meeting, securities will be taken to be held by the persons who are registered holders at 1:00 pm on 28 November 2016. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

**Proxies**

A member of the Company entitled to attend and vote at the meeting shall be entitled to appoint not more than two other persons (whether members of the company or not) as the member's proxy or proxies, to attend and vote on the member's behalf. Where two proxies are appointed the appointments shall be of no effect unless each proxy is appointed to represent a specified proportion of the member's voting rights. Forms of proxy must be deposited at the registered office of the company in West Perth not less than forty-eight (48) hours before the time appointed for the holding of the meeting.