

# **Helix Resources Limited**

**ACN 009 138 738**

## **NOTICE OF ANNUAL GENERAL MEETING 2015**

**Time: 10.00am (WST)**

**Date: Thursday 12 November 2015**

**Place: Grant Thornton Board Room  
Level 2, 10 Kings Park Road  
West Perth WA 6005**

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

**Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9321 2644.**

# Notice of Annual General Meeting

Notice is hereby given that the 2015 Annual General Meeting of members of Helix Resources Limited (**Helix** or the **Company**) will be held at 10.00am (WST) on Thursday, 12 November 2015 at the board room of Grant Thornton being Level 2, 10 Kings Park Road, West 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. Proxy and Voting Entitlement Instructions are included on the Proxy Form accompanying this Notice of Annual General Meeting. In accordance with Regulation 7.11.37 of the Corporations Regulations 2001 (Cth), the directors have determined that the identity of those entitled to attend and vote at the meeting is to be taken to be those persons who hold shares in the Company as at 10.00am on Thursday 10 November 2015.

## AGENDA

### ORDINARY BUSINESS

#### Accounts

To receive and consider the Annual Report of the Company for the financial year ended 30 June 2015, together with the Declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report.

#### Resolutions

##### 1. 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 purposes 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 Report for the year ended 30 June 2015."*

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

#### Voting Exclusion

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

- (a) a member of the 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 (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
  - (i) does not specify the way the proxy is to vote on this Resolution; and
  - (ii) 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, or if the Company is part of a consolidated entity, for the entity.

##### 2. Re-Election of Director

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

*"That, for the purpose of clause 13.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Jason Macdonald, a Director, retires by rotation, and being eligible, is re-elected as a Director."*

### 3. Adoption of Employee Incentive Option Plan

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

*"That the Company adopt the Option Incentive Plan for employees and consultants to be known as the Helix Resources Group – Employee Incentive Option Plan (**Incentive Plan**). A summary of the terms and conditions of which are set out in the attached Explanatory Statement and that for the purposes of Listing Rule 7.1 and 7.2 exception 9, approval is given to issue options in accordance with the Incentive Plan."*

#### **Voting exclusion**

*The Company will disregard any votes cast on Resolution 3:*

- (a) by or on behalf of a member of Key Management Personnel;*
- (b) by or on behalf of a Closely Related Party of a member of Key Management Personnel; and*
- (c) as a proxy by a member of Key Management Personnel or a Closely Related Party,*

*unless the vote is cast as proxy for a person entitled to vote in accordance with a direction on the proxy form or by the Chairman pursuant to an express authorisation to exercise the proxy.*

A copy of the full terms and conditions of the Incentive Plan will be sent to shareholders of the Company free of charge on request.

### 4. Issue of Incentive Options to Mr Pasquale Rombola

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

*"That, for the purposes of section 208 of the Corporations Act and Listing Rule 10.11 and for all other purposes, approval be and is hereby given to issue to Mr Pasquale Rombola (and/or his nominees) 3,000,000 Incentive Options on the terms and conditions set out in the Explanatory Statement."*

#### **Voting exclusion**

*The Company will disregard any votes cast on Resolution 4 by Mr Pasquale Rombola and any of his associates.*

*However, the Company will not disregard a vote if:*

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or*
- (b) it is cast by the Chairman 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.*

### 5. Issue of Incentive Options to Mr Michael Wilson

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

*"That, for the purposes of section 208 of the Corporations Act and Listing Rule 10.11 and for all other purposes, approval be and is hereby given to issue to Mr Michael Wilson (and/or his nominees) 3,000,000 Incentive Options on the terms and conditions set out in the Explanatory Statement."*

#### **Voting exclusion**

*The Company will disregard any votes cast on Resolution 5 by Mr Michael Wilson and any of his associates.*

*However, the Company will not disregard a vote if:*

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or*
- (b) it is cast by the Chairman 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.*

**6. Issue of Incentive Options to Mr Jason Macdonald**

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

*"That, for the purposes of section 208 of the Corporations Act and Listing Rule 10.11 and for all other purposes, approval be and is hereby given to issue to Mr Jason Macdonald (and/or his nominees) 3,000,000 Incentive Options on the terms and conditions set out in the Explanatory Statement."*

**Voting exclusion**

*The Company will disregard any votes cast on Resolution 6 by Mr Jason Macdonald and any of his associates.*

*However, the Company will not disregard a vote if:*

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or*
- (b) it is cast by the Chairman 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.*

**PROXIES**

A Proxy Form accompanies this Notice of Meeting and to be effective must be received at:

- In person at:** Helix Resources Limited, 78 Churchill Avenue, SUBIACO WA 6008.
- OR By post to:** Helix Resources Limited, 78 Churchill Avenue, SUBIACO WA 6008.
- OR By email** to the Company Secretary at [mike.naylor@helix.net.au](mailto:mike.naylor@helix.net.au)
- OR By facsimile on:** (61 8) 9321 3909

by not later than 10.00am (WST), Tuesday, 10 November 2015.

Each Shareholder is entitled to appoint a proxy. The proxy does not need to be a member of the Company.

A Shareholder 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 no proportion or number is specified, each proxy may exercise half of the Shareholder's votes.

**BY ORDER OF THE BOARD**



**Michael Naylor**  
**Company Secretary**  
**9 October 2015**

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## Explanatory Statement

This Explanatory Statement has been prepared for the information of Shareholders of Helix Resources Limited (**Helix** or the **Company**) in connection with the business to be conducted at an Annual General Meeting of Shareholders to be held at the office of Grant Thornton, being Level 2, 10 Kings Park Road, West Perth, Western Australia on Thursday, 12 November 2015 at 10.00am.

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 Annual General Meeting and to prepare this Explanatory Statement.

### Proxies

Please note that:

- (a) a Shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company;
- (c) a Shareholder may appoint a body corporate or an individual as its proxy;
- (d) a body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder's proxy; and
- (e) Shareholders entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms. If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company or its share registry in advance of the Annual General Meeting or handed in at the Annual General Meeting when registering as a corporate representative.

Members of Key Management Personnel and their Closely Related Parties may not be able to vote as proxy on Resolutions 1, 3, 4, 5 and 6 unless the Shareholder directs them how to vote or, in the case of the Chairman, unless the Shareholder expressly authorises him to do so. If a Shareholder intends to appoint a member of Key Management Personnel or their Closely Related Parties (other than the Chairman) as its proxy, the Shareholder should ensure that it directs the proxy how to vote on Resolutions 1, 3, 4, 5 and 6.

If a Shareholder intends to appoint the Chairman as its proxy on Resolutions 1, and 4, the Shareholder can direct the Chairman how to vote by marking one of the boxes for each of Resolutions 1 and 4 (for example, if the Shareholder wishes to vote 'for', 'against' or to 'abstain' from voting). If a Shareholder does not direct the Chairman how to vote, the Shareholder can expressly authorise the Chairman to vote as the Chairman thinks fit on Resolutions 1 and 4 by marking the appropriate box on the Proxy Form even though Resolutions 1 and 4 are connected to the remuneration of the Chairman and even if the Chairman has an interest in the outcome of that Resolution.

To vote by proxy, please complete and sign the enclosed Proxy Form and send by:

- (a) Post or deliver by person to the Company's registered office at 78 Churchill Avenue, Subiaco, Western Australia 6008; or
- (b) email to the Company Secretary at [mike.naylor@helix.net.au](mailto:mike.naylor@helix.net.au).

so that it is received by no later than 10.00am (WST) on Tuesday, 10 November 2015. Proxy Forms received later than this time will be invalid.

### Voting Entitlements

In accordance with Regulations 7.11.37 and 7.11.38 of the *Corporations Regulations 2001* (Cth), the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the register of Shareholders as at 10.00am (WST) on Tuesday, 10 November 2015. Accordingly, transactions registered after that time will be disregarded in determining Shareholder's entitlement to attend and vote at the Annual General Meeting.

## 1. FINANCIAL STATEMENTS AND REPORTS

The Corporations Act requires the Annual Report of the Company for the year ended 30 June 2015, which includes the Financial Report of the Company, the Directors' Report, the Remuneration Report and the Auditor's Report, to be laid before the Annual General Meeting. The financial statements and reports are contained in the Annual Report. Shareholders who have elected to receive the Annual Report have been provided with a copy. The Annual Report is also available on ASX's website.

While no resolution is required in relation to this item, Shareholders will be given the opportunity to ask questions and make comments on the financial statements and reports.

## 2. RESOLUTION 1 - ADOPTION OF REMUNERATION REPORT

Section 249L(2) of the Corporations Act requires a company to inform shareholders that a resolution on the Remuneration Report will be put at the Annual General Meeting. However, section 250R(3) of the Corporations Act expressly provides that the vote on this Resolution is advisory only and does not bind 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 Report.

If at least 25% of the votes on this Resolution are voted against adoption of the Remuneration Report at the Annual General Meeting, and then again at the Company's 2016 annual general meeting, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of the Directors (**Spill Resolution**).

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting (**Spill Meeting**) within 90 days of the Company's 2016 annual general meeting. All of the Directors who were in office when the Company's 2016 Directors' report 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 is approved will be the directors of the Company.

In accordance with section 250SA of the Corporations Act, the Chairman will provide a reasonable opportunity for discussion of the Remuneration Report at the Annual General Meeting.

### ***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.

### ***If you appoint a member of the Key Management Personnel as your proxy***

If you elect to appoint a member of Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of that member, ***you must direct the proxy how they are to vote.*** Undirected proxies granted to these persons will not be included in any vote on Resolution 1.

### ***If you appoint the Chair as your proxy***

If you elect to appoint the Chair as your proxy, you ***do not*** need to direct the Chair how you wish them to exercise your vote on Resolution 1.

### **3. RESOLUTION 2 - ELECTION OF DIRECTOR**

ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third Annual General Meeting following the director's appointment or 3 years, whichever is the longer.

Clause 13.2 of the Constitution provides that at the Company's annual general meeting in every year, one-third of the Directors for the time being shall retire from office. The Directors to retire at an annual general meeting are those who have been longest in office since their last election. A Director who retires by rotation under clause 13.2, is eligible for re-election.

The Company currently has three Directors and accordingly one must retire.

Mr Jason Macdonald, the Director longest in office since his last election, retires by rotation and seeks re-election.

Mr Macdonald is a qualified legal practitioner, he has practiced in both mining corporate/commercial and commercial litigation. Mr Macdonald is also a director of several private resource companies and has a diverse range of corporate, equity capital market and mining related experience.

### **4. RESOLUTION 3 - ADOPTION OF EMPLOYEE INCENTIVE PLAN**

Resolution 3 seeks shareholder approval to the adoption of an Incentive Plan for eligible persons associated with the Company. A summary of the Incentive Plan follows.

The Incentive Plan is intended to:

- (a) increase the range of potential incentives available to employees, consultants and contractors and to recognise their contribution to the Company's success; and
- (b) strengthen the links between the Company and its employees, consultants and contractors.

The Incentive Plan allows the Company to issue up to a maximum 5% of the total number of ordinary shares on issue in the capital of the Company, as options to Eligible Persons. As at 8 October 2015, the issued capital of the Company comprised 268,466,692 ordinary fully paid shares on issue in the Company.

The essential features of the Incentive Plan include:

- the options are to be issued to selected Eligible Persons for free;
- Eligible Persons are any full-time or part-time employees or consultants of any Group Company, their spouses, companies in which they hold a beneficial entitlement of not less than 50% of the issued voting share capital, the trustee of a trust of which they are a beneficiary, or the trustee of a superannuation fund of which they are a member;
- the allotment of options to Eligible Persons is at the discretion of the Board of Directors;
- the exercise price of an option shall be the price determined by the Board in its absolute discretion prior to or on grant of the option;
- The exercise period of option shall be determined by the Board in its absolute discretion;
- the options will be unlisted and not transferable unless the Directors in their absolute discretion agree to a transfer;
- any adjustments to the entitlement of Eligible Persons will be made in accordance with the Listing Rules; and,
- the Incentive Plan may only be amended with the prior approval of the shareholders of the Company and in accordance with the Listing Rules.

The Board of the Company recommends shareholders vote to adopt the Incentive Plan.

## 5. RESOLUTIONS 4 TO 6 - ISSUE OF INCENTIVE OPTIONS TO DIRECTORS

### Background

The Company is seeking Shareholder approval to issue a total of 9,000,000 Incentive Options to Pasquale Rombola, Michael Wilson and Jason Macdonald in accordance with section 208 of the Corporations Act and Listing Rule 10.11. The Company proposes to issue the Incentive Options to Pasquale Rombola, Michael Wilson and Jason Macdonald as follows:

Recipient	Number	Expiry Date	Exercise Price
Pasquale Rombola	3,000,000 Class A Incentive Options	15 November 2018	\$0.0675
Michael Wilson	3,000,000 Class A Incentive Options	15 November 2018	\$0.0675
Jason Macdonald	3,000,000 Class A Incentive Options	15 November 2018	\$0.0675

The Company believes that the Incentive Options provide a means by which the Company can reward Pasquale Rombola, Michael Wilson and Jason Macdonald for their continued contribution to the Company's progress to date and to further incentivise their ongoing performance and commitment to the Company. The Directors consider it prudent to remunerate by way of securities so as to preserve the cash reserves of the Company.

The benefit from the Incentive Options will only be received if the Company's Share Price exceeds the exercise price of the Options at the time of exercise.

The Options will vest as follows:

- (i) One third (1/3) on 15 November 2015
- (ii) One third (1/3) on 15 November 2016
- (iii) One third (1/3) on 15 November 2017

The Company is seeking Shareholder approval to issue the Incentive Options in accordance with section 208 of the Corporations Act and Listing Rule 10.11.

### Section 208 of the Corporations Act

Section 208 of the Corporations Act states that a public company cannot give a "financial benefit" (including an issue of shares and options) to a "related party" of the Company unless one of the exceptions set out in section 210 to 216 of the Corporations Act apply, or the holders of ordinary securities have approved the giving of the financial benefit to the related party in a general meeting.

As Directors, Pasquale Rombola, Michael Wilson and Jason Macdonald are related parties of the Company within the meaning specified under section 228 of the Corporations Act. Further, the provision of the Incentive Options constitutes a financial benefit within the meaning of section 229 of the Corporations Act. Accordingly, Shareholder approval is sought under section 208 of the Corporations Act to permit the issue of the Options under Resolutions 4, 5 and 6 to Pasquale Rombola, Michael Wilson and Jason Macdonald, respectively, as related parties of the Company.

As required by section 219 of the Corporations Act, the following information is provided in relation to Resolutions 4, 5 and 6:

(a) **The related party to whom the financial benefit is to be given**

Pasquale Rombola (and/or his nominee), Michael Wilson (and/or his nominee) and Jason Macdonald (and/or his nominee).

(b) **The nature of the financial benefit**

The issue of a total of 9,000,000 Incentive Options to Pasquale Rombola, Michael Wilson and Jason Macdonald as follows:

<b>Recipient</b>	<b>Number</b>
Pasquale Rombola	3,000,000 Class A Incentive Options
Michael Wilson	3,000,000 Class A Incentive Options
Jason Macdonald	3,000,000 Class A Incentive Options
<b>TOTAL</b>	<b>9,000,000 Class A Incentive Options</b>

The Incentive Options will be issued on the terms set out in Annexure A.

(c) **Valuation of the financial benefits**

The Company has engaged Stantons International to prepare independent valuations of the Incentive Options.

The Black-Scholes option pricing model has been applied in providing valuation information in respect to the Incentive Options to be issued to Pasquale Rombola, Michael Wilson and Jason Macdonald. Stantons International has determined that the Incentive Options has an implied value of \$0.022193 per Incentive Option. Accordingly, the aggregate implied value of the Incentive Options to be issued to Pasquale Rombola, Michael Wilson and Jason Macdonald is as follows:

<b>Recipient</b>	<b>Implied value each</b>	<b>Number</b>	<b>Value</b>
Pasquale Rombola	\$0.022193	3,000,000	\$66,579
Michael Wilson	\$0.022193	3,000,000	\$66,579
Jason Macdonald	\$0.022193	3,000,000	\$66,579
<b>Total</b>		<b>9,000,000</b>	<b>\$199,737</b>

The following variables and assumptions were used in the valuation:

- (i) A share price of \$0.034 (assumed closing price on the day of the Annual General Meeting being the market price on ASX on 23 September 2015).
- (ii) A risk free interest rate of 1.94% (assumed on the day of the General Meeting).
- (iii) An expiry date of 15 November 2018.
- (iv) An exercise price of \$0.0675.
- (v) Volatility of 130%.
- (vi) No discount for non-transferability.
- (vii) The underlying Shares do not currently pay a dividend.

(d) **Current remuneration and security interests**

Details of Pasquale Rombola, Michael Wilson and Jason Macdonald's current remuneration, as well as their security interests (both direct and indirect) in the Company as at the date of the Notice, are outlined below:

<b>Director</b>	<b>Salary/fees</b>	<b>Security interests</b>
Pasquale Rombola	\$50,000 per annum	10,002,127 Shares
Michael Wilson	\$182,648 per annum <sup>1</sup>	3,132,934 Shares
Jason Macdonald	\$40,000 per annum	9,002,500 Shares

**Notes:**

1.Plus 9.5% compulsory superannuation.

(e) **Dilution**

If all of the Incentive Options issued under Resolutions 4, 5 and 6 were converted into Shares, and no other Shares were issued by the Company, the shareholding of existing Shareholders would, based on the current issued capital of the Company, be diluted by approximately 3.35%.

(f) **Accounting**

The Company's adoption of Australian equivalents to International Financial Reporting Standards for reporting periods means that, under AASB2 Share-based Payment, equity-based compensation (such as the Incentive Options under Resolutions 4, 5 and 6) will be recognised as an expense in respect of the services received.

(g) **Trading history**

As at the date of the Notice, the Company had 268,466,692 Shares on issue. The highest and lowest market sale price of the Shares in the Company during the twelve months immediately preceding the date of the Notice was \$0.019 on 10 April 2015 and \$0.045 on 7 July 2015. The closing market sale price of the Company's Shares on the ASX on 25 September 2015 was \$0.038.

As at the date of the Notice, the Company had no Options on issue:

(h) **Terms of securities**

The terms of the Incentive Options are set out in Annexure A.

(i) **Opportunity costs to the Company**

The Directors do not consider that there are any opportunity costs to the Company or benefits foregone by the Company in issuing the Incentive Options.

(j) **Intended use of funds raised**

There will be no funds raised in connection with the issue of the Incentive Options under Resolutions 4, 5 and 6 as the Incentive Options are to be issued without payment of cash consideration. The proceeds from a future exercise of the Incentive Options, however, are intended to be applied towards meeting working capital requirements of the Company relevant at, or about, the time of the exercise of the Incentive Options at the discretion of the Board.

(k) **Directors' interests**

Mr Rombola has a material personal interest in the outcome of Resolution 4 as the recipient of the Incentive Options. No other Director has a material personal interest in the outcome of Resolution 4.

Mr Wilson has a material personal interest in the outcome of Resolution 5 as the recipient of the Incentive Options. No other Director has a material personal interest in the outcome of Resolution 5.

Mr Macdonald has a material personal interest in the outcome of Resolution 6 as the recipient of the Incentive Options. No other Director has a material personal interest in the outcome of Resolution 6.

(l) **Directors' recommendations**

Each Director has a conflict of interest in relation to the Resolution which, if passed, will authorise the issue of Incentive Options to that Director. Accordingly, no Director expresses an opinion or makes a recommendation in respect of the Resolution which involves the issue of Incentive Options to himself and from which he is abstained from voting.

The recommendation of the Directors and the reasons for that recommendation are as follows:

- (i) each Director (other than the relevant abstaining Director) recommends that Shareholders vote in favour of Resolutions 4, 5 and 6; and
- (ii) each of the Directors making the recommendation to vote in favour of Resolutions 4, 5 and 6 considers that those Resolutions are in the best interests of the Company as recognition of the relevant Director's continued contribution to the Company's progress to date and to further incentivise their ongoing performance and commitment to the Company.

(m) **Other information**

Other than as set out in this Explanatory Statement, there is no further information that is known to the Company or any of the Directors which Shareholders would reasonably require in order to decide whether or not it is in the Company's best interests to pass Resolutions 4, 5 and 6.

**Listing Rule 10.11**

Listing Rule 10.11 provides that a company must not issue equity securities to a "related party" without the approval of holders of ordinary securities, or to a person whose relationship with the company or a related party of the company is, in ASX's opinion, such that approval should be obtained. Further, Listing Rule 7.2 (Exception 14) states that approval pursuant to Listing Rule 7.1 is not required if shareholder approval is obtained under Listing Rule 10.11.

As Directors, Pasquale Rombola, Michael Wilson and Jason Macdonald are related parties of the Company within the definition specified in Listing Rule 19.12. Accordingly, Shareholder approval is sought under Listing Rule 10.11 to permit the issue of the Incentive Options under Resolutions 4, 5 and 6 to Pasquale Rombola, Michael Wilson and Jason Macdonald as related parties of the Company.

The issue of the Incentive Options under Resolutions 4, 5 and 6 will not affect the capacity of the Company to issue securities in the next 12 months under Listing Rule 7.1, as those Incentive Options (once issued) will be excluded from the calculations under Listing Rule 7.1.

As required by Listing Rule 10.13, the following information is provided in relation to Resolutions 4, 5 and 6:

(a) **Name of the persons**

Pasquale Rombola (and/or his nominee), Michael Wilson (and/or his nominee) and Jason Macdonald (and/or his nominee).

(b) **Maximum number of securities to be issued**

A total of 9,000,000 Incentive Options as follows:

<b>Recipient</b>	<b>Number</b>
Pasquale Rombola	3,000,000 Class A Incentive Options
Michael Wilson	3,000,000 Class A Incentive Options
Jason Macdonald	3,000,000 Class A Incentive Options
<b>TOTAL</b>	<b>9,000,000 Class A Incentive Options</b>

(c) **Date by which the entity will issue the securities**

The Incentive Options will be issued as soon as practicable after the Annual General Meeting and, in any event, no later than 1 month after the Annual General Meeting (or such later date to the extent permitted by any waiver of the Listing Rules).

(d) **Relationship that requires Shareholder approval**

Pasquale Rombola, Michael Wilson and Jason Macdonald are related parties of the Company by virtue of being directors of the Company.

(e) **Issue price of the securities**

The Incentive Options will be issued without payment of cash consideration.

(f) **Terms of the issue**

The terms of the Incentive Options are set out in Annexure A.

(g) **Intended use of the funds raised**

There will be no funds raised in connection with the issue of the Incentive Options under Resolutions 4, 5 and 6 as the Incentive Options are to be issued without payment of cash consideration. The proceeds from a future exercise of the Incentive Options, however, are intended to be applied towards meeting working capital requirements of the Company relevant at, or about, the time of the exercise of the Incentive Options at the discretion of the Board.

## 6. DEFINITIONS

<b>\$</b>	means Australian dollars
<b>Annual General Meeting or Meeting</b>	means the meeting convened by this Notice
<b>Annual Report</b>	the annual report of the Company for the financial year ended 30 June 2015.
<b>ASX</b>	means Australian Securities Exchange Limited
<b>ASX Listing Rules</b>	means the official listing rules of ASX
<b>Closely Related Party</b>	of a member of the Key Management Personnel means: <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></ul> a person prescribed by the <i>Corporations Regulations 2001 (Cth)</i> .
<b>Company Secretary</b>	The company secretary of the Company
<b>Constitution</b>	The constitution of the Company.
<b>Corporations Act</b>	<i>Corporations Act 2011 (Cth)</i>
<b>Director</b>	means a director of the Company
<b>Directors</b>	means the current directors of the Company
<b>Eligible Employee</b>	means a person who is full time, part time employee, contractor or executive of any Group Company at the Board's discretion.
<b>Eligible Persons</b>	Eligible Persons are any full-time or part-time employees or consultants of any Group Company, their spouses, companies in which they hold a beneficial entitlement of not less than 50% of the issued voting share capital, the trustee of a trust of which they are a beneficiary, or the trustee of a superannuation fund of which they are a member.
<b>Equity Securities</b>	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
<b>Explanatory Statement</b>	means the explanatory statement accompanying the Notice
<b>Helix or the Company</b>	means Helix Resources Limited (ACN 009 138 738)
<b>Key Management Personnel</b>	has the same meaning as in the accounting standards and broadly includes 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) of the Company.
<b>Notice or Notice of Meeting or Notice of Annual General Meeting</b>	means this notice of Annual General Meeting including the Explanatory Statement and the Proxy Form.
<b>Ordinary Securities</b>	has the meaning set out in the ASX Listing Rules.
<b>Option</b>	means an option to subscribe for one Share.
<b>Optionholder</b>	A holder of Options.
<b>Proxy Form</b>	The proxy form attached to the Notice.
<b>Resolutions</b>	means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires
<b>Share</b>	means a fully paid ordinary share in the capital of the Company
<b>Shareholder</b>	means a holder of a Share

## Annexure A - Class A Incentive Options

### 1. General

- 1.1 No monies will be payable for the issue of the Incentive Options.
- 1.2 Each Incentive Option shall carry the right, subject to any Shareholder approval required under the Corporations Act or the Listing Rules, to subscribe for one fully paid ordinary share in the capital of the Company (**Share**).
- 1.3 Subject to these terms, the Incentive Options will automatically vest as follows:
- (a) One third on 15 November 2015
  - (b) One third on 15 November 2016; and
  - (c) One third on 15 November 2017. (**Vesting Dates**)
- and are exercisable at any time after the Vesting Date until 15 November 2018 (**Expiry Date**).
- 1.4 The Options are forfeited if the Incentive Optionholder's employment with the Company ceases prior to the Options vesting.
- 1.5 Incentive Options may be exercised in whole or in part in parcels. An exercise of only some Incentive Options shall not affect the rights of the party holding the Option (**Incentive Optionholder**) to the balance of the Incentive Options held by the Incentive Optionholder.
- 1.6 The exercise price of each Class A Incentive Option will be \$0.0675 (**Exercise Price**).
- 1.7 The Exercise Price for the Incentive Options shall be payable in full on exercise of those Incentive Options.
- 1.8 Incentive Options are only exercisable by the delivery to the registered office of the Company of a notice in writing. The notice must specify the number of Incentive Options being exercised and must be accompanied by:
- (a) the option certificate for those Incentive Options for cancellation by the Company; and
  - (b) payment of the Exercise Price for each Share to be issued on exercise of the Incentive Options specified in the notice.
- The notice is only effective (and only becomes effective) when the Company has received value for the full amount of the Exercise Price (for example, if the Exercise Price is paid by cheque, by clearance of that cheque) by the Expiry Date.
- 1.9 The Company shall allot the resultant Shares and deliver the holding statements within 10 Business Days of the exercise of the Incentive Options.
- 1.10 Incentive Options may be exercised into Shares to be held in the name of the Incentive Optionholder's nominee.
- 1.11 The Incentive Options are transferable with Board approval. It is not intended that an application will be made to ASX for the quotation of the Incentive Options.

- 1.12 Shares allotted pursuant to an exercise of Incentive Options shall rank, from the date of allotment, equally with existing Shares of the Company in all respects.
- 1.13 The Company shall, in accordance with the Listing Rules, make application to have Shares allotted pursuant to an exercise of Incentive Options listed for official quotation on the ASX, if the Company is listed on the ASX at the time.
- 1.14 The Incentive Optionholder is not entitled to participate in any new issue of securities to existing holders of Shares in the Company unless the Incentive Optionholder exercises the Incentive Options before the record date for the determination of entitlements to the new issue of securities and participates as a result of being a holder of Shares. The Company must give the Incentive Optionholder, in accordance with the Listing Rules, notice of any new issue of securities before the record date for determining entitlements to the new issue.
- 1.15 If there is a bonus share issue (**Bonus Issue**) to the holders of Shares, the number of Shares over which an Incentive Option is exercisable will be increased by the number of Shares which the Incentive Optionholder would have received if the Incentive Option had been exercised before the record date for the Bonus Issue (**Bonus Shares**). The Bonus Shares must be paid up by the Company out of the profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue and upon issue rank pari passu in all respects with the other shares of that class on issue at the date of issue of the Bonus Shares.
- 1.16 If there is a pro rata issue (other than a Bonus Issue) to the holders of Shares during the currency, and prior to the exercise, of any Incentive Options, the Exercise Price of an Incentive Option and the number of Shares over which the Incentive Options are exercisable will not be adjusted.
- 1.17 If, prior to the expiry of any Incentive Options, there is a reorganisation of the issued capital of the Company, then the rights of the Incentive Optionholder (including the number of Incentive Options to which each Incentive Optionholder is entitled and the Exercise Price) is changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- 1.18 The Incentive Options will not give any right to participate in dividends until Shares are allotted pursuant to the exercise of the relevant Incentive Options.

## 2. **Lapse of Incentive Options**

- 2.1 Incentive Options not validly exercised on or before the Expiry Date will automatically lapse.
- 2.2 If at any time prior to the Expiry Date an Incentive Optionholder dies, the deceased Incentive Optionholder's legal representative may:
- (a) elect to be registered as the new holder of the deceased Incentive Optionholder's Incentive Options;
  - (b) whether or not he or she becomes so registered, exercise those Incentive Options in accordance with and subject to these terms as if he were the Incentive Optionholder of them; and

- (c) if the deceased Incentive Optionholder had already given the Company a notice of exercise of his or her Incentive Options, pay the Exercise Price in respect of those Incentive Options.
- 2.3 Subject to clause 2.4, and notwithstanding that the Board has discretion to waive this accelerated lapsing provision, in the event that the Incentive Optionholder resigns as an employee of the Company, or is terminated by the Company for any reason, the Incentive Options shall lapse 28 days following the resignation or termination.
- 2.4 Clause 2.3 does not apply if any of the following change of control events occur subsequent to the grant of the Options but prior to the cessation of the Incentive Optionholder's engagement with the Company:
  - (a) a party acquires a relevant interest in more than 50% of the Shares in the Company under a scheme of arrangement between the Company and its creditors or members or any class thereof pursuant to section 411 of the Corporations Act;
  - (b) a party acquires a relevant interest in more than 50% of the Company's ordinary Shares pursuant to a takeover bid; or
  - (c) a person or a group of associated persons becomes entitled to sufficient Shares to give it or them the ability, in general meeting, to replace all or a majority of the Board and such changes to the Board are implemented.

Should any of the above change of control events occur subsequent to the grant of the Options but prior to the cessation of the Incentive Optionholder's engagement with the Company, the Options will not lapse within 28 days of the date of cessation of the Incentive Optionholder's engagement with the Company and the respective Expiry Date referred to in clause 1.3 will apply.

**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

 **PLEASE NOTE:** This proxy is solicited on behalf of the management of Helix Resources Limited ACN 009 138 738 (the "Company") for use at the meeting of the shareholders of the Company to be held at Grant Thornton Board Room, Level 2, 10 Kings Park Road, West Perth WA 6005 on Thursday 12 November 2015 10.00am (WST) or any adjournment thereof (the "Meeting").

I/We being a member/s of Helix Resources Limited hereby appoint

the Chairman of the meeting **OR**

 **PLEASE NOTE:** If you leave this box blank, the Chairman of the Meeting will be your proxy.

or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) 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 at the Meeting and at any adjournment of that meeting.

If you have not appointed the Chairman of the Meeting as your proxy and you are appointing a second proxy please complete the following: Proxy 1 is appointed to represent \_\_\_\_\_% of my voting right and Proxy 2 is appointed to represent \_\_\_\_\_% of my total votes. My total voting right is \_\_\_\_\_ shares.

 **PLEASE NOTE:** If the appointment does not specify the proportion or number of votes that the proxy may exercise, each proxy may exercise half the votes.

With respect to any amendment or variations to the matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting, I/we confer discretionary authority on the person voting on behalf of me/us to vote as that person sees fit. At the time of printing this Form of Proxy, the Company knows of no such amendment, variation or other matter.

#### Important for Resolution 1 and 4 – If the Chairman of the Meeting is your proxy or is appointed as your proxy by default

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 Resolution 1 and 4 in accordance with his stated voting intention (except where I/we have indicated at different voting intention by marking an applicable box below) even though Resolution 1 and 4 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

The Chairman of the Meeting (where appropriately authorised) intends to vote undirected proxies in favour of Resolution 1 and 4. 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.

### STEP 2 Items of Business

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

If you wish to direct how your proxy is to vote, please tick the appropriate boxes below.

	FOR	AGAINST	ABSTAIN
Resolution 1: To adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2: Re-Election of Director - Mr Jason Macdonald	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3: Adoption of Employee Incentive Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4: Issue of Incentive Options to Mr Pasquale Rombola	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5: Issue of Incentive Options to Mr Michael Wilson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6: Issue of Incentive Options to Mr Jason Macdonald	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### SIGN Signing by member

This section **must** be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Member 1  
  
Sole Director and Sole Secretary

Member 2 (if joint holding)  
  
Director/Company Secretary

Member 3 (if joint holding)  
  
Director

/ /  
Date

## Lodge your vote:



### By Mail:

Helix Resources Limited  
78 Churchill Avenue  
SUBIACO WA 6008

Alternatively you can fax your form to  
(61 8) 9321 3909

## For all enquiries call:

Telephone: (61 8) 9321 2644  
Email: [helix@helix.net.au](mailto:helix@helix.net.au)

## Proxy Form

### Instructions

1. Every shareholder has the right to appoint some other person or company of their choice, who need not be a shareholder, to attend and act on their behalf at the meeting. If you wish to appoint a person or company other than the Chairman, please insert the name of your proxyholder(s) in the space provided (see reverse).
2. If the securities are registered in the name of more than one owner (for example, joint ownership, trustees, executors, etc), then all those registered should sign this proxy. If you are voting on behalf of a corporation or another individual you may be required to provide documentation evidencing your power to sign this proxy with signing capacity stated.
3. This proxy should be signed by the shareholder/s as named on this proxy.
4. If a shareholder appoints two proxies, each proxy may be appointed to represent a specific proportion of the shareholder's voting rights. If such appointment is not made then each proxy may exercise half of the shareholder's voting rights. Fractions shall be disregarded.
5. Completion of a proxy form will not prevent individual shareholders from attending the Meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attends the Meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the Meeting.
6. To be effective, proxies must be delivered by shareholders as follows:  
Shareholders must deliver their proxies prior to 10.00am (WST), Tuesday, 10 November 2015 by mail to 78 Churchill Avenue, Subiaco WA 6008 or by facsimile at (08) 9321 3909 or by hand at 78 Churchill Avenue, Subiaco WA 6008 or by email to [mike.naylor@helix.net.au](mailto:mike.naylor@helix.net.au).
7. For the purposes of Regulation 7.11.37 of the Corporations Regulations the Company determines that shareholders holding shares at 10.00am on 10 November 2015 will be entitled to attend and vote at the Meeting.
8. The Chairman intends to vote in favour of resolutions 1, 2, 3, 4, 5 and 6 as set out in the Notice of Meeting.
9. This proxy confers discretionary authority in respect of amendments to matters identified in the Notice of Meeting or other matters that may properly come before the Meeting.
10. This proxy should be read in conjunction with the accompanying documentation provided by the Company.
11. The shares represented by this proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any poll that may be called for, and if the shareholder has specified a choice in respect of any matter to be acted upon, the shares will be voted accordingly.

**Turn over to complete the form →**



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