

Guildford Coal Limited
ACN 143 533 537

Notice of Annual General Meeting

and

**Explanatory Notes
to Shareholders**

A proxy form is enclosed

Please read the Notice and Explanatory Notes carefully.

If you are unable to attend the Meeting please complete and return the enclosed proxy form in accordance with the specified instructions.

Guildford Coal Limited
ACN 143 533 537

NOTICE OF MEETING

Notice is given that the 2015 Annual General Meeting of shareholders of Guildford Coal Limited (**Company**) will be held **at Dalton Room, Quality Suites Pioneer Sands, 19 Carters Lane, Towradgi, Wollongong NSW 2518** on Monday 30 November 2015 at 1.00 pm ADST (**Meeting**).

Business

1 Financial statements and reports

To receive and consider the financial report and the reports of the Directors and auditors in respect of the Company for the financial year ended 30 June 2015.

Note: There is no requirement for shareholders to approve these reports.

2 Resolution 1 - Remuneration report

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

"That the Remuneration Report of the Company (which forms part of the Directors' Report) for the financial year ended 30 June 2015 be adopted."

The Remuneration Report is set out on pages 21 - 28 of the Guildford Coal Limited 2015 Annual Financial Report.

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

The Chairman of the Meeting intends to vote all available proxies in **favour** of this item of business.

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 1:

- by or on behalf of a member of the Company's key management personnel (**KMP**) (being the Directors and the other KMP named in the Remuneration Report) or their closely related parties, regardless of the capacity in which the vote is cast; or
- as a proxy by a member of the KMP at the date of the Meeting or their closely related parties,

unless the vote is cast as proxy for a person entitled to vote on Resolution 1:

- in accordance with a direction on the proxy form; or
- by the Chairman of the Meeting pursuant to an express authorisation to exercise the proxy.

'Closely related party' is defined in the Corporations Act and includes the KMP's spouse, dependents and certain other close family members, as well as any companies controlled by a member of the KMP.

3 Resolution 2 - Election of Michael Avery appointed since last AGM

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

"That Michael Avery who retires in accordance with the Company's constitution and being eligible, offers himself for election, be elected as a Director of the Company."

Note: The Chairman of the Meeting intends to vote all available proxies in **favour** of this item of business.

4 Resolution 3 - Election of Craig Wallace appointed since last AGM

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

"That Craig Wallace who retires in accordance with the Company's constitution and, being eligible, offers himself for election, be elected as a Director of the Company."

Note: The Chairman of the Meeting intends to vote all available proxies in **favour** of this item of business.

5 Resolution 4 - Election of Loo Hwee Fang appointed since last AGM

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

"That Loo Hwee Fang who retires in accordance with the Company's constitution and being eligible, offers himself for election, be elected as a Director of the Company."

Note: The Chairman of the Meeting intends to vote all available proxies in **favour** of this item of business.

6 Resolution 5 - Election of Philip Forrest appointed since last AGM

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

"That Philip Forrest who retires in accordance with the Company's constitution and, being eligible, offers himself for election, be elected as a Director of the Company."

Note: The Chairman of the Meeting intends to vote all available proxies in **favour** of this item of business.

7 Resolution 6 - Election of David Stone appointed since last AGM

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

"That David Stone who retires in accordance with the Company's constitution and, being eligible, offers himself for election, be elected as a Director of the Company."

Note: The Chairman of the Meeting intends to vote all available proxies in **favour** of this item of business.

8 Resolution 7 – Approval of 10% Additional Placement Capacity

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

“That, for the purpose of Listing Rule 7.1A and for all other purposes, shareholders approve the issue of shares 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 Notes accompanying this Notice of Meeting.”

Note: The Chairman of the Meeting intends to vote all available proxies in **favour** of this item of business.

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 7 by:

- a person who may participate in the proposed issue 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
- an associate of that person (or those persons).

However, the Company need not disregard a vote if:

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

Voting entitlements

For the purpose of determining a person's voting entitlement at the Annual General Meeting of the Company, a person will be recognised as a member of the Company and the holder of shares if that person is registered in the Company's share register as the holder of those shares at 1:00 pm ADST on Saturday 28 November 2015. Share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

Votes of shareholders

On a poll, a shareholder has one vote for every fully paid security held (subject to any voting restrictions that apply). On a show of hands, every person present and entitled to vote has one vote. Where a shareholder appoints two proxies, only one proxy may vote on a show of hands where the appointments specify the same way to vote on a resolution. Where a proxy has two or more appointments that specify different ways to vote on a resolution, the proxy must not vote on a show of hands.

Proxies

Please note that:

- (a) a member entitled to attend and vote at the Annual General Meeting is entitled to appoint up to two proxies;
- (b) an instrument appointing a proxy must be in the form of the proxy form attached to this Notice of Meeting;
- (c) If a member appoints two proxies, and the appointment does not specify the proportion or number of the member's votes each proxy is appointed to exercise, each proxy may exercise one-half of the member's votes;
- (d) a proxy need not be a member of the Company;
- (e) a proxy form may specify the manner in which the proxy is to vote in respect of a particular Resolution and, where the proxy form so provides, the proxy must vote on the Resolution as specified in the proxy form;
- (f) if a member does not direct the proxy how to vote on a particular Resolution, the member is authorising the proxy to vote as the proxy decides, subject to any applicable voting exclusions;
- (g) a valid proxy form will be deemed to confer authority to demand or join in demanding a poll;
- (h) any directed proxy that is not voted on a poll at the Meeting will automatically default to the Chair of the Meeting, who is required to vote the proxy as directed;
- (i) to be valid, a proxy form must be signed by the member or the member's attorney or, if the member is a corporation, executed in accordance with the corporation's constitution and the *Corporations Act 2001* (Cth) (**Corporations Act**) (and may be signed on behalf of the corporation by its attorney); and
- (j) to be valid, a proxy form and the power of attorney or other authority (if any) under which it is signed (or an attested copy of it) must be received by no later than 1.00 pm ADST on Saturday 28 November 2015 by the Company:

in person: Guildford Coal Limited
C/- Link Market Services Limited
1A Homebush Bay Drive
Rhodes
NSW 2138
Australia

online: www.linkmarketservices.com.au

by mail: Guildford Coal Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia

by facsimile: + 61 2 9287 0309

A form of proxy accompanies this Notice.

Voting by corporate representative

If a body corporate is a member or is appointed as a proxy that body corporate will need to ensure that it:

- appoints an individual as its corporate representative to exercise its powers at the Meeting, in accordance with section 250D of the Corporations Act; and
- provides satisfactory evidence of the appointment of its corporate representative.

The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it has been signed, unless it has previously been given to the Company. A form of notice of appointment can be obtained from **Link Market Services** or downloaded from www.linkmarketservices.com.au

Voting by attorney

A member entitled to attend and vote may appoint an attorney to act on his or her behalf at the Meeting. An attorney may but need not be a member of the Company.

An attorney may not vote at the meeting unless the instrument appointing the attorney, and the authority under which the instrument is signed or a certified copy of the authority, are received by the Company no later than no later than 1.00 pm ADST on Saturday 28 November 2015.

By Order of the Board

date 27 October 2015

sign here



Anthony Mooney AM
Company Secretary

Guildford Coal Limited
ACN 143 533 537

EXPLANATORY NOTES

These Explanatory Notes provide shareholders with information in respect of the items of business to be considered at the Annual General Meeting of the Company which will be held at **Dalton Room, Quality Suites Pioneer Sands, 19 Carters Lane, Towradgi, Wollongong NSW 2518** on Monday 30 November 2015 at 1.00pm ADST (**Meeting**).

Shareholders should carefully review these Explanatory Notes and the associated Notice of Meeting (**Notice**) to which these Explanatory Notes are attached.

If you have difficulty in properly understanding this documentation, you should consult your financial or legal adviser.

1 Financial statements and reports

As required by the Corporations Act, the Guildford Coal Annual Financial Report (comprising the Financial Report, Directors' Report and Auditor's Report for the Company) for the year ended 30 June 2015 will be laid before the Meeting. There is no requirement for shareholders to vote on the reports.

Shareholders will be given a reasonable opportunity as a whole at the Meeting to raise questions on the financial statements and reports. Shareholders will also be given a reasonable opportunity as a whole at the Meeting to ask questions of the auditor, Ernst & Young, relevant to the conduct of the audit and the preparation and content of the Auditor's Report.

2 Resolution 1 – Remuneration Report

There will be a reasonable opportunity for shareholders at the Meeting to comment on and ask questions about the Remuneration Report which is contained in the Guildford Coal 2015 Annual Financial Report on pages 21 - 28.

The vote on Resolution 1 is advisory only and does not bind the Directors or the Company, however, the Board will take the outcome of the vote into consideration when reviewing remuneration practices and policies.

The Remuneration Report:

- explains the Board's policy in relation to the nature and level of remuneration paid to Directors and KMP within the Company;
- discusses the link between the Board's remuneration policy and the Company's performance;
- provides a detailed summary of performance conditions, why they were chosen and how performance is measured against them; and
- sets out remuneration details for each Director and for each member of the Company's senior executive management team.

A voting exclusion statement applies to this resolution as set out in the Notice.

*The Board unanimously recommends that shareholders vote in **favour** of adopting the Remuneration Report.*

3 Resolution 2 - Election of Michael Avery appointed since last AGM

Biographic information for Michael Avery is set out below:

Mr Michael Avery

Group Managing Director
(non-independent)

Appointed 19 November 2014 and Group Managing Director 15 December 2014

Qualifications

Masters of Business Administration
Bachelor of Engineering (Mining) (First Class Hons)

Experience

Michael has been involved in the establishment and management of a number of successful public and private companies in mining, exploration and development, mining consulting services and mining contractor services.

Michael is a 30 year plus mining industry veteran with BE Mining (1st Class Honours) from UNSW and an MBA from Mt Eliza Business School. Michael is also a qualified Coal Mine Manager and a member of the Australian Institute of Mining and Metallurgy.

Michael has extensive experience in the mining sector working in senior management and technical roles for a number of blue-chip mining companies (mostly Rio Tinto and BHP Billiton) at operations in Australia and around the world. These roles covered the full life cycle of open cut and underground mines from resource exploration and evaluation, through conceptual design, pre-feasibility, feasibility, construction, operation and management.

Special Responsibilities Member of the Remuneration Committee

*The Board (with Mr Michael Avery abstaining) unanimously recommends that shareholders vote in **favour** of the election of Mr Michael Avery.*

4 Resolution 3 - Election of Craig Wallace appointed since last AGM

Biographic information for Craig Wallace is set out below:

The Honorable Craig Wallace

Independent
Non-Executive Chairman

Appointed 12 December 2014 and Non-Executive Chairman 29 April 2015

Qualifications

Bachelor of Arts

Experience

Mr Wallace served as the Queensland Minister for Main Roads, Fisheries and Marine Infrastructure from 2009 to 2012. His departments delivered major infrastructure projects across Queensland including the Gateway Bridge and rebuilding of Queensland Road assets following major floods. He is a member of the Executive Council of Australia, a member of Roads Australia and a Patron of the Committee for Infrastructure and Logistics Australia.

In 2012 he formed Shanghai Commonwealth Investment and Consulting (which is operating mainly in China). The company has a focus on building trade ties between China and Australia with a particular focus on food products.

Special Responsibilities Member of the Audit and Remuneration Committees

*The Board (with the Hon Craig Wallace abstaining) unanimously recommends that shareholders vote in **favour** of the election of the Hon Craig Wallace.*

5 Resolution 4 - Election of Loo Hwee Fang appointed since last AGM

Biographic information for Loo Hwee Fang is set out below:

Ms Loo Hwee Fang

Independent Non-Executive Director Appointed 9 April 2015

Qualifications University of Sheffield, England (LLB Hons) Barrister-at-law, Gray's Inn, England and Wales

Experience Loo Hwee Fang is an experienced legal practitioner. She graduated from the University of Sheffield, England, with an LLB (Hons) Degree in 1996 and is also a qualified Barrister-at-Law. Ms Loo was Partner in Singapore law firm, Lee and Lee, specialising in corporate finance, capital markets and fund management. Since 2013, Ms Loo has been Group General Counsel of Yoma Strategic Holdings Ltd which is listed on the main board of the Singapore Exchange.

Special Responsibilities Member of the Audit Committee

*The Board (with Ms Loo Hwee Fang abstaining) unanimously recommends that shareholders vote in **favour** of the election of Ms Loo Hwee Fang.*

6 Resolution 5 - Election of Philip Forrest appointed since last AGM

Biographic information for Philip Forrest is set out below:

Mr Philip Forrest

Independent Non-Executive Director Appointed 9 April 2015

Qualifications Fellow of Australia Institute of Company Directors, Certified Public Accountant

Experience For over 33 years, Philip Forrest has lived in South East Asia and contributed to the Australia/Asia commercial relationship. He is reinforcing that contribution through directorships, involvement in not for profit organisations, and the provision of consultation and advice. Since arriving in Singapore in 1991, he has headed three international banks (Westpac, NatWest and ANZ), with wide-ranging regional responsibilities. His most recent banking position was Asia Head for ANZ Bank, with responsibility for all of the Bank's activities in eleven countries from Japan to Indonesia.

Philip's current non-executive directorships include: EA Consulting, Voyager Estate (Singapore), SEA Resources, and SEA Resources (Thailand), Barterfii Pte Ltd and EVOLVE Agribusiness Pte Ltd.

He is currently a Director of The Australian Chamber of Commerce, Singapore, and a Member of the Governing Council of the Singapore Institute of Directors.

Philip is a Fellow of the Australian Institute of Company Directors, a Fellow of CPA Australia, and a Fellow of the Australian Institute for Business and Economics. He is a Member of the Thai Institute of Directors and of the Singapore Mining Club. He received an award in 2014 for forty years of membership of CPA Australia.

Special Responsibilities Member of Audit and Remuneration Committees

*The Board (with Mr Philip Forrest abstaining) unanimously recommends that shareholders vote in **favour** of the election of Mr Philip Forrest.*

7 Resolution 6 - Election of David Stone appointed since last AGM

Biographic information for David Stone is set out below:

Mr David Stone

Executive Director (non-independent)	Appointed 5 May 2015 and Executive Director 12 May 2015
Qualifications	Bachelor of Mining Engineering, Dip of Risk Management, Dip Australia Institute of Company Directors
Experience	David Stone is a highly successful leader in mining businesses for global corporations. His impressive career spans over 20 years with expertise in operating resources businesses, either in senior management, project development, operations or closure. He has repeatedly demonstrated transformational ability within these businesses with a sole focus of creating shareholder value and has operated successfully across diverse geographical locations and environments. He has progressed through the mining industry performing most roles within a business including, operations, technical and management. This is in conjunction with being appointed to numerous government and industry committees and boards. He also holds a Mine Managers, Senior Site Executive qualifications.

The Board (with Mr David Stone abstaining) unanimously recommends that shareholders vote in favour of the election of Mr David Stone.

8 Resolution 7 – Approval of 10% Additional Placement Capacity

Listing Rule 7.1A enables an eligible entity, subject to it receiving the requisite shareholder approval, to issue, or enter into an agreement to issue, equity securities representing up to 10% of its issued capital over a period of up to 12 months after its Annual General Meeting (calculated in accordance with the formula prescribed in Listing Rule 7.1A.2) (**10% Additional Placement Capacity**). The 10% Additional Placement Capacity is in addition to an eligible entity's ability to issue, or enter into an agreement to issue, securities representing up to 15% of its issued capital over a 12 month period (calculated in accordance with the formula prescribed in Listing Rule 7.1) without shareholder approval pursuant to Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that:

- has a market capitalization of A\$300 million or less; and
- is not included in the S&P/ASX 300 Index.

As at the date of this Notice, the Company is an eligible entity for the purposes of Listing Rule 7.1A.

The Company is seeking shareholder approval by way of a special resolution to have the ability to issue, or enter into an agreement to issue, securities under the 10% Additional Placement Capacity during the 12 month period after the Meeting.

Resolution 7 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 7 for it to pass.

5.1 Listing Rule 7.1A

(a) Securities which can be issued under the 10% Additional Placement Capacity

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

The Company only has one class of securities quoted on the ASX as at the date of this Notice, being ordinary shares (ASX Code: GUF)

(b) Formula for calculating the 10% Additional Placement Capacity

The exact number of securities which can be issued under the 10% Additional Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule

7.1A.2 as follows:

where:

- A** is the number of fully paid ordinary shares on issue 12 months before the issue date or date of agreement to issue:
- (1) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
 - (2) plus the number of partly paid shares that became fully paid in the 12 months;
 - (3) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rules 7.1 and 7.4;
 - (4) less the number of fully paid shares cancelled in the 12 months.
- D** is 10%.
- E** is the number of securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the issue date or date of agreement to issue that are not issued with the approval of holders of ordinary shares under Listing Rules 7.1 or 7.4.

5.2 Specific information required by Listing Rule 7.3A

Listing Rule 7.3A sets out the information required to be disclosed to shareholders when seeking approval for 10% Additional Placement Capacity. The information set out below is intended to satisfy this requirement.

(a) **Minimum Issue Price**

The minimum price at which the securities may be issued under the 10% Additional Placement Capacity is 75% of the volume weighted average market price of securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (1) the date on which the price at which the securities are to be issued is agreed; or
- (2) if the securities are not issued within 5 trading days of the date in paragraph (1) above, the date on which the securities are issued.

The Company will disclose the issue price to ASX on the date of issue or date of agreement to issue the securities under the 10% Additional Placement Capacity.

(b) **Risk of economic and voting dilution**

Any issue of securities under the 10% Additional Placement Capacity carries a risk of economic and voting dilution to existing shareholders who do not receive any securities under the issue.

There is a specific risk that:

- the market price for the Company's securities may be significantly lower on the date of issue of, or date of agreement to issue, the securities under the 10% Additional Placement Capacity than on the date of the approval at this Meeting; and
- the securities may be issued under the 10% Additional Placement Capacity at a price that is at a discount to the market price for the Company's securities on the issue date which may have an effect on the amount of funds raised by the issue under the 10% Additional Placement Capacity and also on the value of the Company's securities.

The table below shows the potential economic and voting dilution effect on shareholders in circumstances where the issued share capital of the Company has doubled and the market price of Shares has halved. The table also shows additional scenarios in which the issued share capital of the Company has increased (by both 50% and 100%) and the market price of Shares has (1) decreased by 50% and (2) increased by 100%.

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$0.013 (50% decrease in current share price)	\$0.026 issue price (current share price)	\$0.052 (100% increase in current share price)
1,095,928,523 (Current)	Shares issued 10% voting dilution	109,592,852	109,592,852	109,592,852
	Funds raised	\$1,424,707	\$2,849,414	\$5,698,828
1,643,892,785 (50% increase in shares on issue)*	Shares issued 10% voting dilution	164,389,279	164,389,279	164,389,279
	Funds raised	\$2,137,061	\$4,274,121	\$8,548,243
2,191,857,046 (100% increase in shares on issue)*	Shares issued 10% voting dilution	219,185,705	219,185,705	219,185,705
	Funds raised	\$2,849,414	\$5,698,828	\$11,397,657

* The number of ordinary shares on issue (variable A) could increase as a result of the issue of ordinary shares which does not require shareholder approval or that are issued with shareholder approval under Listing Rule 7.1.

Assumptions:

The table above has been prepared on the following assumptions:

- the issue price is the closing price of the Company's shares on 19 October 2015
- the number of shares on issue is at 19 October 2014. This could increase as a result of the issue of ordinary shares which does not require shareholder approval or that are issued with shareholder approval under Listing Rule 7.1; and
- the maximum number of shares are issued by the Company as permitted under Resolution 7.

(c) **Date of issue**

The Company may only issue securities under the 10% Additional Placement Capacity in the period commencing on the date of this Meeting and ending on the earlier of:

- 12 months after the date of this Meeting; and
- The date of approval by shareholders of a transaction under Listing Rule 11.1.2 (significant change to the nature or scale of the Company's activities) or Listing Rule 11.2 (disposal of the Company's main undertaking).

(d) **Purpose of issue**

The Company may issue securities under the 10% Additional Placement Capacity for the following purposes:

- as cash consideration in which case the Company intends to use funds raised for the acquisition of new assets and investments (including expenses associated with such an acquisition), continued expenditure on the Company's current assets and general working capital; or
- as non-cash consideration for the acquisition of new assets and investments (in such circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3), including expenses associated with such an acquisition, continued expenditure on the Company's current assets and general working capital.

(e) **Allocation policy**

The Company's allocation policy for issues under the 10% Additional Placement Capacity is dependent on the prevailing market conditions at the time of any proposed issue. The identity of the allottees of securities will be determined on a case-by-case basis having regard to a number of factors, including (but not limited to) the following:

- the purpose of the issue;
- the methods of raising funds that are available to the Company, including (but not limited to) rights issues or other issues in which existing Shareholders can participate and other forms of equity and debt financing;
- the effect of the issue of the securities on the control of the Company;
- the circumstances of the Company, including but not limited to, the financial situation and solvency of the Company; and
- advice from corporate, financial and broking advisers (if applicable).

The allottees of securities under the 10% Additional Placement Capacity have not been determined as at the date of this Notice but may include existing substantial shareholders or new shareholders (or both), none of whom will be related parties or associates of a related party of the Company.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any securities under the 10% Additional Placement Capacity.

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

The Company has previously obtained shareholder approval under Listing Rule 7.1A.

In the 12 months preceding the date of the AGM, the Company issued a total of 178,315,842 equity securities which represent 19.43% of the total number of equity securities on issue at 30 November 2015. Details of all issues of equity securities in the 12 months preceding the date of AGM are set out below:

Date of issue	Number of equity securities	Class of equity securities and summary of terms	Name of recipients or basis on which recipients determined	Issue price and discount to closing market price on the date of issue	If issued for cash – the total consideration, what it was spent on and the intended use of any remaining funds If issued for non-cash consideration - a description of the consideration and the current value of the consideration.
26/02/2015	178,315,842	Ordinary (see Note 1)	Underwritten pro-rata rights issue	\$0.037 (premium to closing price of \$0.035)	Issue raised \$6,597,686 which was used to support the ramp up of coal production at the Baruun Noyon Uul Mine in Mongolia, for working capital purposes and for costs associated with the Offer.

Note 1: Fully paid ordinary shares in the Company. The terms are set out in the Constitution.

The Company also refers to the Notice of Meeting released to the ASX on 28 September 2015 in respect of the Extraordinary General Meeting of the Company to be held on 30 October 2015. For completeness, the Company notes that at that Extraordinary General Meeting, for the purposes of Listing Rule 7.1 and for all other purposes, it will seek shareholder approval to:

- the issue of 126,308,306 New Warrants; and
- the adjustment of the terms of the Convertible Notes and Amortising Notes, in each case on the terms and conditions set out in the Explanatory Memorandum accompanying the Notice of Meeting for that Extraordinary General Meeting.

(g) **Voting exclusion statement**

A voting exclusion statement is included in this Notice.

Appendix

Proxy form



GUILDFORD
COAL

GUILDFORD COAL LIMITED

ABN: 35 143 533 537
Level 7, 490 Upper Edward Street
Spring Hill, QLD 4000 Australia
guildfordcoal.com.au

LODGE YOUR VOTE

ONLINE
www.linkmarketservices.com.au

BY MAIL
Guildford Coal Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

BY FAX
+61 2 9287 0309

BY HAND
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138

ALL ENQUIRIES TO
Telephone: +61 1300 554 474



PROXY FORM

I/We being a member(s) of Guildford Coal Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

☐ **the Chairman of the Meeting (mark box)**

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **1:00pm on Monday, 30 November 2015 in the Dalton Room, Quality Suites Pioneer Sands, 19 Carters Lane, Towradgi, Wollongong NSW 2518** (the **Meeting**) and at any postponement or adjournment of the Meeting.

Important for Resolution 1: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 1, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an ☒.

Resolutions

1 Remuneration report

For Against Abstain*

☐ ☐ ☐

2 Election of Michael Avery appointed since last AGM

☐ ☐ ☐

3 Election of Craig Wallace appointed since last AGM

☐ ☐ ☐

4 Election of Loo Hwee Fang appointed since last AGM

☐ ☐ ☐

5 Election of Philip Forrest appointed since last AGM

For Against Abstain*

☐ ☐ ☐

6 Election of David Stone appointed since last AGM

☐ ☐ ☐

7 Approval of 10% Additional Placement Capacity

☐ ☐ ☐

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

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

GUF PRX502C



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **1:00pm on Saturday, 28 November 2015**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MAIL

Guildford Coal Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**