



**ABN 79 118 065 704**

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## **NOTICE OF ANNUAL GENERAL MEETING**

**The Annual General Meeting of the Company will be held at Level 9, 33 Erskine Street, Sydney, New South Wales on 30 November 2015 at 3:00 PM (AEDT).**

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*This Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.*

***Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on (02) 8296 0011.***

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# HIGH PEAK ROYALTIES LIMITED

## ABN 79 118 065 704

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### NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of Shareholders of High Peak Royalties Limited ("**High Peak**" or "**Company**") will be held at Level 9, 33 Erskine Street, Sydney, New South Wales on 30 November 2015 at 3:00 pm (AEDT) ("**Meeting**").

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on 27 November 2015 at 4:00 pm (AEDT).

Terms and abbreviations used in this Notice and the Explanatory Memorandum are defined in Section 8 of the Explanatory Memorandum.

### AGENDA

#### A. Ordinary Business

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##### 1. Annual Report

To table and consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2015, which includes the financial report, directors' report in relation to that year, the declaration of the directors, the Remuneration Report and the auditor's report in the financial report.

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##### 2. Resolution 1 – Adoption of Remuneration Report

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

*"That, for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, approval is given to the adoption of the Remuneration Report as contained in the Company's financial report for the year ended 30 June 2015."*

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**3. Resolution 2 – Re-election of Anthony Wooles**

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

*"That Anthony Wooles, being a director of the Company who retires in accordance with Listing Rule 14.4 and Article 11.3 of the Constitution, and being eligible, be re-elected as a Director of the Company."*

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**4. Resolution 3 – Re-election of John Theobald**

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

*"That John Theobald, being a director of the Company who retires in accordance with Listing Rule 14.4 and Article 11.3 of the Constitution, and being eligible, be re-elected as a Director of the Company."*

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**B. Special Business**

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**5. Resolution 4 – Approval of 10% Placement Facility**

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

*"That, in accordance with ASX Listing Rule 7.1A and for all other purposes, the Company be permitted and authorised to issue Equity Securities totalling up to 10% of the issued capital of the Company (at the time of issue), calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions set out in Section 7 of the Explanatory Memorandum."*

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**VOTING EXCLUSION STATEMENTS**

RESOLUTION	PERSONS EXCLUDED FROM VOTING
1. Remuneration Report	<ul style="list-style-type: none"><li>• A member of the key management personnel (KMP), details of whose remuneration are included in the Remuneration Report for the year ended 30 June 2015; or</li><li>• A closely related party of a KMP<sup>1</sup></li></ul>
4. Approval of Placement Capacity	<ul style="list-style-type: none"><li>• Any person who may participate in the proposed issue;</li><li>• Any person who might obtain a benefit (other than a benefit solely in the capacity of a holder of ordinary shares) if the resolution is passed; and</li><li>• Any of their respective associates.</li></ul>

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.

<sup>1</sup>A closely related party of a member of the key management personnel means any of the following:

- a spouse, child or dependent of the member;
- a child or dependent of the member's spouse;
- anyone else who is one of the member's family and may be expected to influence, or be influenced by, the member in the member's dealings with the Company;
- a company the member controls; or
- a person prescribed by regulations (as at the date of this notice of meeting, no additional persons have been prescribed by regulation).

## PROXIES

Please note that:

- (a) a Shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint no more than two proxies;
- (b) an instrument appointing a proxy must be in the form of the proxy form attached to this Notice of Annual General Meeting;
- (c) where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. If a Shareholder appoints two proxies, neither person may vote on a show of hands and on a poll, each person may only exercise the voting rights for the portion of votes the person holds;
- (d) a proxy may be a Shareholder of the Company;
- (e) a proxy need not be a Shareholder of the Company;
- (f) where a Shareholder appoints 2 proxies, the following rules apply:
  - (i) each proxy may exercise half of the Shareholder's voting rights if the appointment does not specify a proportion or number of the Shareholder's voting rights the proxy may exercise;
  - (ii) on a show of hands, neither proxy may vote; and
  - (iii) on a poll, each proxy may only exercise the voting rights the proxy represents;
- (g) a proxy has the authority to vote on the Shareholder's behalf as he or she thinks fit, on any motion to adjourn the Annual General Meeting, or any other procedural motion, unless the Shareholder gives a direction to the contrary;
- (h) a valid proxy form will be deemed to confer authority to demand or join in demanding a poll;

- (i) to be valid, a proxy form must be signed by the Shareholder or the Shareholder's attorney or, if the Shareholder is a corporation, executed in accordance with the corporation's constitution and the 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 10:00am (AEDT) on 28 November 2015:

by Computershare Investor Services Pty Limited

- by mail                      Computershare Investor Services Pty Limited  
GPO Box 242, Melbourne, VIC 3001 AUSTRALIA

or - by facsimile:            (within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

or - by email:                [jarrod.white@highpeak.com.au](mailto:jarrod.white@highpeak.com.au)

**The Chair intends to vote all undirected proxies in favour of each of the relevant Resolutions**

Dated 30 October 2015

**BY ORDER OF THE BOARD**



**Jarrod T White**  
**Company Secretary | Chief Financial Officer**

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# HIGH PEAK ROYALTIES LIMITED

**A B N 79 118 065 704**

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## EXPLANATORY MEMORANDUM

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### 1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders of the Company in connection with the business to be conducted at the Annual General Meeting to be held at Level 9, 33 Erskine Street, Sydney, New South Wales on 30 November 2015 at 3.00pm (AEDT).

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions in the Notice.

This Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2: Action to be taken by Shareholders

Section 3: Financial Report and Reports of the Directors and Auditors

#### Ordinary Business

Section 4: Resolution 1 – Adoption of Remuneration Report

Section 5: Resolution 2 – Re-election of Anthony Wooles

Section 6: Resolution 3 – Re-election of John Theobald

#### Special Business

Section 7: Resolution 4 – Approval of 10% Placement Facility

Section 8: Definitions

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### 2. Action to be taken by Shareholders

Shareholders should read this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

A Shareholder entitled to attend and vote at the Meeting is entitled to appoint not more than two other persons (whether members of the Company or not) as proxy or proxies to attend in the Shareholder's place at the Meeting.

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions provided. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

The Company must receive your duly completed Proxy Form by no later than 10:00am (AEDT) on 28 November 2015.

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### 3. Financial Report and Reports of the Directors and Auditors

The Company's Financial Report for the year ended 30 June 2015 is set out in the Company's 2015 Annual Report. In accordance with the Corporations Act, Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the Financial Report and on the business and management of the Company.

During the discussion of this item, the Company's auditor will be present and will answer qualifying questions.

#### **Written questions for the auditor**

If you would like to submit a written question to the Company's auditor, please post your question to the Company Secretary or fax it to +61 2 9279 1234. Written questions must relate to the content of the auditor's report to be considered at the Annual General Meeting or the conduct of the audit. A list of qualifying questions will be made available at the Annual General Meeting.

Please note that all questions must be received at least five Business Days before the Annual General Meeting, that is by no later than 10:00am (AEDT) on 24 November 2015.

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### 4. Resolution 1 – Adoption of Remuneration Report

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

The remuneration report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The remuneration report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2015 which is also available on the Company's website at [www.highpeakroyalties.com](http://www.highpeakroyalties.com).

A reasonable opportunity will be provided for questions and discussion about the remuneration report at the Annual General Meeting.

Under changes to the Corporations Act which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene an extraordinary general meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the Directors who were in office when the Company's 2015 Directors' report was approved, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

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

At the Company's 2014 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.

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

Proxy	Directions given	No directions given
Key Management Personnel <sup>1</sup>	Vote as directed	Unable to vote <sup>3</sup>
Chair <sup>2</sup>	Vote as directed	Able to vote at discretion of Proxy <sup>4</sup>
Other	Vote as directed	Able to vote at discretion of Proxy

Notes:

<sup>1</sup> Refers to Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member.

<sup>2</sup> Refers to the Chair (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report), or a Closely Related Party of such a member).

<sup>3</sup> Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

<sup>4</sup> The Proxy Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions.

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## **5. Resolution 2 – Re-election of Anthony Wooles**

Article 11.3 of the Constitution requires that a director must retire from office no later than three years, and that in every year one third of the Director's in office must retire from office no later than the longer of the third annual general meeting of the Company or three years, following that Director's last election or appointment. If no Director would otherwise be required to retire pursuant to clause 11.3 but the Listing Rules require that an election of Directors be held at an annual general meeting, the Director to retire at that meeting is the Director who has held office as Director the longest period of time since his or her last election or appointment to that office.

Article 11.4 provides that a Director who retires under Listing Rule 14.4 is eligible for re-election. Pursuant to these Articles of the Constitution, Anthony Wooles will retire by rotation and seek re-election.

Shareholders are referred to the Annual Report on page 3, where details of Mr Wooles' qualifications and experience may be obtained.

### **Directors' Recommendation in relation to Resolution 2**

The Directors (other than Anthony Wooles) recommend that you vote in favour of Resolution 2.



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**6. Resolution 3 – Re-election of John Theobald**

Article 11.3 of the Constitution requires that a director must retire from office no later than three years, and that in every year one third of the Director's in office must retire from office no later than the longer of the third annual general meeting of the Company or three years, following that Director's last election or appointment. If no Director would otherwise be required to retire pursuant to clause 11.3 but the Listing Rules require that an election of Directors be held at an annual general meeting, the Director to retire at that meeting is the Director who has held office as Director the longest period of time since his or her last election or appointment to that office.

Article 11.4 provides that a Director who retires under Listing Rule 14.4 is eligible for re-election. Pursuant to these Articles of the Constitution, John Theobald will retire by rotation and seek re-election.

Shareholders are referred to the Annual Report on page 4, where details of Mr Theobald's qualifications and experience may be obtained.

**Directors' Recommendation in relation to Resolution 3**

The Directors (other than John Theobald) recommend that you vote in favour of Resolution 3.

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**7. Resolution 4 – Approval of 10% Placement Capacity****7.1 General**

ASX Listing Rule 7.1A, which came into effect on 1 August 2012, provides eligible mid-to small-cap listed entities with the ability to seek shareholder approval to issue equity securities up to 10% of the number of ordinary securities on issue by way of placements over a 12-month period after the annual general meeting (10% Placement Facility). The 10% Placement Facility is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1 and has not been put forward for approval at a prior AGM.

An "eligible entity" for the purposes of ASX Listing Rule 7.1A is an entity which, as at the date of this Resolution, is not included in the S&P/ASX 300 Index, and has a market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) equal to or less than \$300 million. The Company is an "eligible entity" for the purposes of ASX Listing Rule 7.1A.

Accordingly, the Company now seeks Shareholder approval by way of special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

If Shareholders approve this Resolution 4, the number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula in ASX Listing Rule 7.1A.2 (refer to section 7.2(b) below).

## 7.2 Description of ASX Listing Rule 7.1A

### (a) *Shareholder approval*

The effect of this Resolution will be to allow the Directors to issue the Equity Securities under ASX Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under ASX Listing Rule 7.1.

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of special resolution at an annual general meeting. This Resolution is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Shareholder approval of the 10% Placement Facility under ASX Listing Rule 7.1A is valid for the period commencing on the date of the annual general meeting at which the approval is obtained and expires on the first to occur of the following:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of the approval by shareholders of a transaction under ASX Listing Rules 11.1.2 (significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

### **(10% Placement Period).**

### (b) *Formula for calculating 10% Placement Facility*

ASX Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue, during the 10% Placement Period, a number of Equity Securities calculated in accordance with the following formula:

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

Where:

**A**= the number of fully paid ordinary securities on issue 12 months before the date of issue or agreement:

- (i) plus the number of fully paid ordinary securities issued in the 12 months under an exception in ASX Listing Rule 7.2,
- (ii) plus the number of partly paid ordinary securities that became fully paid in the 12 months,
- (iii) plus the number of fully paid ordinary securities issued in the 12 months with approval of holders of ordinary securities under ASX Listing Rule 7.1 or ASX Listing Rule 7.4.;
- (iv) less the number of fully paid ordinary securities cancelled in the 12 months.

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

**D**= 10%;

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

(c) *ASX Listing Rule 7.1 and ASX Listing Rule 7.1A*

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

As at date of this Notice of Annual General Meeting, the Company has 166,800,792 Shares on issue and all of those Shares fall within the definition of "A" above, with no Shares cancelled in the last 12 months. Accordingly the Company has the capacity to issue:

- (i) 25,020,119 Equity Securities under ASX Listing Rule 7.1; and
- (ii) subject to Shareholder approval being sought under this Resolution 4, 16,680,079 Equity Securities under ASX Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under ASX Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (refer to section 7.2(b) above).

(d) *Equity Securities*

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

The Company, as at date of this Notice of Annual General Meeting, has on issue two classes of Equity Securities, Shares and Listed Options.

(e) *Minimum Issue Price*

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

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

### **7.3 Specific information required by ASX Listing Rule 7.3A**

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

- (a) **ASX Listing Rule 7.3A.1:** *Statement of the minimum price at which the equity securities may be issued for the purposes of ASX Listing Rule 7.1A.3*

The Equity Securities will be issued at a price being not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days on which trades in the class were recorded immediately before:

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

- (b) **ASX Listing Rule 7.3A.2:** *A statement of the risk of economic and voting dilution of existing Shareholders that may result from an issue of equity securities under ASX Listing Rule 7.1A.2.*

If this Resolution is approved by Shareholders and the Company issues the Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the table below (in the case of Listing Options, only if the Listed Options are exercised). There is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price of the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below indicates the potential dilution of existing Shareholders on the basis of the current market price of the Shares and the current number of Shares for variable "A" calculated in accordance with the formula in ASX Listing Rule 7.1A.2 as at the date of this Notice.

The table below also shows:

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

Variable "A" in ASX Listing Rule 7.1A.2	Dilution		
	\$0.045 50% decrease in Issue Price	\$0.09 Issue Price	\$0.0135 50% increase in Issue Price

<b>Current Variable A</b> 16,680,079 Shares	<b>10% voting dilution</b>	16,680,079 Shares	16,680,079 Shares	16,680,079 Shares
	<b>Funds raised</b>	\$ 750,604	\$ 1,501,207	\$ 2,251,811
<b>50% increase in current Variable A</b> 25,020,119 Shares	<b>10% voting dilution</b>	25,020,119 Shares	25,020,119 Shares	25,020,119 Shares
	<b>Funds raised</b>	\$ 1,125,905	\$ 2,251,811	\$ 3,377,716
<b>100% increase in current Variable A</b> 33,360,158 Shares	<b>10% voting dilution</b>	33,360,158 Shares	33,360,158 Shares	33,360,158 Shares
	<b>Funds raised</b>	\$ 1,501,207	\$ 3,002,414	\$ 4,503,621

The table has been prepared on the following assumptions:

- (i) the Company issues the maximum number of Equity Securities available under the 10% Placement Facility;
  - (ii) no Listed Options (including any Listed Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities;
  - (iii) the 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
  - (iv) the table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Annual General Meeting;
  - (v) the table shows only the effect of the Equity Securities under ASX Listing Rule 7.1A, not under the 15% placement capacity under ASX Listing Rule 7.1;
  - (vi) the issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Listed Options, it is assumed that those Listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders; and
  - (vii) the issue price is \$0.09, being the closing price of the Shares on the ASX on 19 October 2015. Noted that whilst shares have exchanged at prices lower than this, historically this has been based on low volumes and would provide figures, which would not provide an accurate disclosure for Listing Rule 7.1A disclosure purposes.
- (c) **ASX Listing Rule 7.3A.3:** *The date by which the equity securities may be issued, as determined under ASX Listing Rule 7.1A.1, including a statement that the approval will cease to be valid in the event that holders of the eligible entity's ordinary securities approve a transaction under ASX Listing Rules 11.1.2 or 11.2.*

The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under this Resolution for the issue of Equity Securities will cease to be valid in the event that Shareholders approve a transaction under ASX Listing Rules 11.1.2 (significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

- (d) **ASX Listing Rule 7.3A.4:** *A statement of the purposes for which the equity securities may be issued, including whether the eligible entity may issue any of them for non-cash consideration*

The Company may seek to issue the Equity Securities for the following purposes:

- (i) 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 ASX Listing Rule 7.1A.3; or
- (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards the Company's general working capital.

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

- (e) **ASX Listing Rule 7.3A.5:** *Details of the eligible entity's allocation policy for issues under the approval*

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility.

The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

- (f) **ASX Listing Rule 7.3A.6:** *Previous approval under ASX Listing Rule 7.1A*

The Company has not previously obtained Shareholder approval for additional placement capacity under ASX Listing Rule 7.1A and per the requirements of Listing Rule 7.3A.6 has not got any relevant share or options issues to disclose subsequent to obtaining LR 7.1A approval.

- (g) **ASX Listing Rule 7.3A.7:** *Voting exclusion statement*

A voting exclusion statement is in the Notice of Annual General Meeting. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in this Notice.

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## 8. Definitions

In this Explanatory Memorandum and Notice:

**10% Placement Facility** has the meaning given to that term in section 7.1 of the Explanatory Memorandum.

**10% Placement Period** has the meaning given to that term in section 7.2 of the Explanatory Memorandum.

**Annual Report** means the directors' report, the Company's financial report, and auditor's report thereon, in respect to the financial year ended 30 June 2015.

**ASX** means ASX Limited ACN 009 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

**Board** means the board of Directors.

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

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

**Constitution** means the Constitution of the Company.

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

**Director** means a director of the Company.

**Explanatory Memorandum** means the explanatory memorandum attached to the Notice.

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

**High Peak** and **Company** means High Peak Royalties Limited ACN 118 065 704.

**Listing Rules** means the listing rules of ASX.

**Meeting** has the meaning given in the introductory paragraph of the Notice.

**Notice** means this notice of meeting.

**Officially Quoted** and **Official Quotation** means, in relation to a Share, officially quoted by the ASX;

**Proxy Form** means the proxy form attached to the Notice.

**Remuneration Report** means the remuneration report of the Company contained in the directors' report section of the Company's annual financial report for the year ended 30 June 2015.

**Resolution** means a resolution contained in this Notice.

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

**Shareholder** means a shareholder of the Company.

**Trading Day** has the meaning given to that term in Listing Rule 19.12.

**AEDT** means Australian Eastern Daylight Time as observed in Sydney, New South Wales.

In this Notice, words importing the singular include the plural and vice versa.

**As required under the Corporations Act and Listing Rules, copies of the Notice of Meeting and Explanatory Statement were lodged with the ASX for review before being sent to members.**





**High Peak Royalties Limited**  
ABN 79 118 065 704

— 000001 000 HPR  
MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Lodge your vote:



### By Mail:

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

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

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

## For all enquiries call:

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

## Proxy Form

XX

**For your vote to be effective it must be received by 3:00pm (AEDT) Saturday, 28 November 2015**

### How to Vote on Items of Business

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

#### Appointment of Proxy

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

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

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

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

### Signing Instructions

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

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

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

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

### Attending the Meeting

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

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

**Turn over to complete the form** ➔



View the annual report, 24 hours a day, 7 days a week:

**[www.highpeak.com.au](http://www.highpeak.com.au)**

To view and update your securityholding:

**[www.investorcentre.com](http://www.investorcentre.com)**

#### Your secure access information is:

**SRN/HIN: I9999999999**



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

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030



**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.



I 9999999999

I ND

## Proxy Form

Please mark ☒ to indicate your directions

### STEP 1

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

XX

I/We being a member/s of High Peak Royalties Limited hereby appoint

☐

the Chairman  
of the Meeting OR



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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of High Peak Royalties Limited to be held at Level 9, 33 Erskine Street, Sydney, New South Wales on Monday, 30 November 2015 at 3:00pm (AEDT) and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on 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 key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box in step 2 below.

### STEP 2

#### Items of Business



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

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Anthony Wooles	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of John Theobald	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

### SIGN

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

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact  
Name

\_\_\_\_\_

Contact  
Daytime  
Telephone

\_\_\_\_\_ / \_\_\_\_ / \_\_\_\_

Date

HPR

999999A

Computershare +