

Stirling Products Limited
(Subject to Deed of Company Arrangement)

ACN 077 105 429

NOTICE OF GENERAL MEETING

EXPLANATORY MEMORANDUM

PROXY FORM

Date of Meeting
3 September 2015

Time of Meeting
10:00am

Place of Meeting
Level 29, 66 Goulburn Street, Sydney NSW 2000

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Deed Administrator on (+61 2) 8263 4000.

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IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is hereby given that an Annual General Meeting of the members of Stirling Products Limited (**Company**) will be held at Level 29, 66 Goulburn Street, Sydney NSW 2000 at 10:00am on 3 September 2015 to consider and, if thought fit, to pass the resolutions set out below.

YOUR VOTE IS IMPORTANT

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

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cwth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 10:00am (AEST) on 1 September 2015.

VOTING IN PERSON

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

VOTING BY PROXY

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

In accordance with section 249L of the Corporations Act, members are advised that:

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

Shareholders and their proxies should be aware that under sections 250BB and 250BC of the Corporations Act:

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

Further details on this are set out below.

Proxy vote if appointment specifies way to vote

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

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

Transfer of non-chair proxy to chair in certain circumstances

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

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

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

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1: RATIFICATION OF PRIOR ISSUE OF SHARES

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the previous issue of fully paid ordinary shares as shown below, and having the terms and conditions as detailed in the Explanatory Memorandum, be and are hereby ratified and approved:

- 333,766,926 shares at \$0.00021(pre-consolidation) to professional and sophisticated investors

2. RESOLUTION 2: CONSOLIDATION OF SHARE CAPITAL

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

“That, subject to the passing of Resolution 1, for the purpose of Section 254(1) of the Corporations Act and for all other purposes, the Shares of the Company be consolidated through the conversion of every two thousand shares (2,000) Shares held by a Shareholder into one (1) Share with any resulting fractions of a Share rounded up to the next whole number of a Shares, with consolidation to take effect in accordance with the timetable set out in the Explanatory Statement accompanying this Notice of Meeting.”

Note: The Company must consolidate its share capital in order to satisfy Chapters 1 and 2 of the ASX Listing Rules and as a condition of the Company’s securities recommencing trading on the ASX following the Chief Resources Pty Ltd acquisition.

3. RESOLUTION 3: PLACEMENT – SHARES

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

“That, subject to the passing of Resolutions 1 and 2, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to allot and issue up to 4,000,000 post-consolidation Shares at an issue price of no less than \$0.05 equating to \$200,000 being the balance of DOCA contributions and expenses incurred and paid to date on the terms and conditions set out in the Explanatory Memorandum.”

4. RESOLUTION 4: PLACEMENT – SHARES

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

“That, subject to the passing of Resolutions 1, 2 and 3 for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to allot and issue up to 4,000,000 post-consolidation Shares at an issue price of no less than \$0.05 to raise up to \$200,000 being the balance of DOCA contributions on the terms and conditions set out in the Explanatory Memorandum.”

5. RESOLUTION 5: PLACEMENT – SHARES

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

“That, subject to the passing of Resolutions 1, 2, 3 and 4 for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to allot and issue up to 6,000,000 post-consolidation Shares at an issue price of no less than \$0.05 to raise up to \$300,000 to pay post DOCA debts and working capital on the terms and conditions set out in the Explanatory Memorandum.”

Dated: 4 August 2015

Robert Whitton
Deed Administrator
Stirling Products Limited

VOTING EXCLUSIONS

Resolution 1

In accordance with ASX Listing Rules 14.11 and 14.11.1, the Company will disregard any votes cast on Resolution 1 by:

RFD Victoria Pty Ltd and Fund Contribution Services Pty Ltd
an associate of both RFD Victoria Pty Ltd and Fund Contribution Services Pty Ltd.

However, the entity 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.

Resolution 3

In accordance with ASX Listing Rules 14.11 and 14.11.1, the Company will disregard any votes cast on Resolution 3 by:

A person who may participate in the proposed issue of securities who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities and any associates of such person.

However, the entity 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.

Resolution 4

In accordance with ASX Listing Rules 14.11 and 14.11.1, the Company will disregard any votes cast on Resolution 4 by:

A person who may participate in the proposed issue of securities who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities and any associates of such person.

However, the entity 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.

Resolution 5

In accordance with ASX Listing Rules 14.11 and 14.11.1, the Company will disregard any votes cast on Resolution 5 by:

A person who may participate in the proposed issue of securities who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities and any associates of such person.

However, the entity 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.

Chairman as Proxy

If the Chair of the General Meeting is your proxy, then note the following:

- (i) You may direct the Chair to vote for or against or abstain from voting on any particular resolution by marking the appropriate box on the enclosed proxy form
- (ii) The Chair of the General Meeting intends to vote undirected proxies in favour of each Resolution.

EXPLANATORY MEMORANDUM

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

1. RESOLUTION 1: RATIFICATION OF PRIOR ISSUE OF SHARES

1.1 General

On 24 June 2015, the Company issued 333,766,296 Shares at an issue price of \$0.00021 per Share to raise \$70,000. Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of these Shares (in this section 1, the **Ratification**).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12 month period than that amount which represents 15% of the number of fully paid Ordinary Securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue Equity Securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

1.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 333,766,296 Shares were issued;
- (b) the issue price was \$0.00021 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to various professional and sophisticated investors; and
- (e) the funds raised from the issue were used for the working capital of the Company and ongoing costs of the administration and represents part of the Deed of Company Arrangement contribution.

2. RESOLUTION 2: CONSOLIDATION OF SHARE CAPITAL

2.1 General

The Company proposes to consolidate its ordinary share capital through the conversion of every 2,000 STI shares into 1 STI share, with any fractional entitlements as a result of holdings not being evenly divisible by 2,000 being rounded up to the nearest whole number.

Under section 254H of the Corporations Act, a company may consolidate its shares if consolidation is approved by an ordinary resolution of shareholders at a general meeting. ASX Listing Rule 7.20 provides that if an entity proposes to reorganise its capital, it must advise shareholders of certain matters which are set out in this Section.

3. RESOLUTION 3: PLACEMENT – SHARES

3.1 General

Resolution 3 seeks Shareholder approval for the allotment and issue of up to 4,000,000 post consolidation Shares at an issue price of \$0.05 per share equating to \$200,000 advanced in regard to DOCA payments and expenses.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary shares securities on issue at the commencement of that 12 month period. The effect of Resolution 3 will be to allow the Company to issue the Shares pursuant to the proposed issue during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

3.2 Technical information required by ASX Listing Rule 7.1.

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the proposed issue:

- (a) the maximum number of Shares to be issued is 4,000,000;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that they will be issued on one date rather than on a progressive basis;
- (c) the issue price will be \$0.05 per Share;
- (d) the Directors will determine to whom the Shares will be issued at the time of issue. None of the recipients of the Shares will be related parties of the Company, and will be professional and sophisticated Investors;
- (e) the Shares issued will be fully paid ordinary Shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the funds have been paid to the Deed Administrator and will be applied towards the Creditors Trust and therefore allow the company to recommence trading.

4. RESOLUTION 4: PLACEMENT – SHARES

4.1 General

Resolution 4 seeks Shareholder approval for the allotment and issue of up to 4,000,000 post consolidation Shares at an issue price of \$0.05 per share to raise \$200,000.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary shares securities on issue at the commencement of that 12 month period. The effect of Resolution 3 will be to allow the Company to issue the Shares pursuant to the proposed issue during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

4.2 Technical information required by ASX Listing Rule 7.1.

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the proposed issue:

- (a) the maximum number of Shares to be issued is 4,000,000;

- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that they will be issued on one date rather than on a progressive basis;
- (c) the issue price will be \$0.05 per Share to raise \$200,000;
- (d) the Directors will determine to whom the Shares will be issued at the time of issue. None of the recipients of the Shares will be related parties of the Company, and will be professional and sophisticated Investors;
- (e) the Shares issued will be fully paid ordinary Shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the Company intends to apply the funds raised from the proposed issue to pay the final instalment under the DOCA which will be applied to the Creditors Trust and therefore allow the company to recommence trading.

5. RESOLUTION 5: PLACEMENT – SHARES

5.1 General

Resolution 5 seeks Shareholder approval for the allotment and issue of up to 6,000,000 post consolidation Shares at an issue price of \$0.05 per share to raise \$300,000.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary shares securities on issue at the commencement of that 12 month period. The effect of Resolution 3 will be to allow the Company to issue the Shares pursuant to the proposed issue during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

5.2 Technical information required by ASX Listing Rule 7.1.

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the proposed issue:

- (a) the maximum number of Shares to be issued is 6,000,000;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that they will be issued on one date rather than on a progressive basis;
- (c) the issue price will be \$0.05 per Share to raise \$300,000;
- (d) the Directors will determine to whom the Shares will be issued at the time of issue. None of the recipients of the Shares will be related parties of the Company, and will be professional and sophisticated Investors;
- (e) the Shares issued will be fully paid ordinary Shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the Company intends to apply the funds raised from the proposed issue to repay debts relating to quotation costs and fund re-compliance costs and therefore allow the company to recommence trading.

6. ENQUIRIES

Shareholders are requested to contact the Company Secretary on (+61 2) 8263 4000 if they have any queries in respect to the matters set out in this Notice.

GLOSSARY

\$ means Australian dollars.

AEST means Australian Eastern Standard Time as observed in Sydney, New South Wales.

ASX means ASX Limited.

ASX Listing Rules means the ASX Listing Rules of ASX.

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

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

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

Company means Stirling Products Limited (ACN 077 105 429).

Constitution means the Company's constitution.

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

Deed Administrator means the Deed Administrator appointed in accordance with Part 5.3A of the Corporations Act

Directors means the current directors of the Company.

Explanatory Memorandum means the explanatory memorandum accompanying the Notice.

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

Option means an option to acquire a Share.

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

Proxy Form means the proxy form accompanying the Notice.

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

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

Shareholder means a holder of a Share.

Corporate directory

A.C.N. 077 105 429

Deed Administrator

Robert Whitton

Registered Office and Principal Place of Business

Level 29, 66 Goulburn Street

Sydney

New South Wales

T: +612 8263 4000

Share Register

Boardroom Pty Ltd

Level 12, 225 George St,

Sydney, 2000

Tel: +612 9290 9600

Securities Exchange Listing

ASX Code: STI

STIRLING PRODUCTS LIMITED
ACN 077 105 429

All correspondence to:

STIRLING PRODUCTS LIMITED
Level 29, 66 Goulburn Street Sydney NSW 2000
Telephone: 02 8263 4000
Facsimile: 02 8263 4111

☐ Mark this box with an 'X' if you have made any changes to your address details (see reverse)

Appointment of Proxy

I/We _____ (name of shareholder)

Of _____ (address)

Being a member/s of STIRLING PRODUCTS LIMITED and entitled to attend and vote hereby appoint

☐ the Chairman of the Meeting
(mark with an 'X')

OR

Write here the name of the person you are appointing if this person is someone other than the Chairman of the Meeting.

or failing the person named, or if no person is named, the Chairman of the Meeting as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Extraordinary General Meeting of STIRLING PRODUCTS LIMITED to be held Level 29, 66 Goulburn Street, Sydney NSW 2000 at 10.00 a.m. (Sydney time) on 3 September 2015 and at any adjournment of that meeting.

☐ **Important:**

If the Chairman of the meeting is your nominated proxy, or may be appointed by default, and you have not directed your proxy how to vote on the resolution below, please place a mark in this box. By marking this box, you acknowledge that the Chairman of the Meeting may exercise your proxy unless he has an interest in the outcome of that item. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the meeting will not cast your vote on the resolution below and your vote will not be counted in computing the required majority if a poll is called on that item. The Chairman intends to vote undirected proxies in favour of the resolution below unless he has an interest in the outcome of that item.

Voting Directions to your proxy – please mark X to indicate your directions

		For	Against	Abstain*
Resolution 1	Ratification of prior share issue			
Resolution 2	Consolidation of share capital			
Resolution 3	Approval of Issue of placement shares			
Resolution 4	Approval of Issue of placement shares			
Resolution 5	Approval of Issue of placement shares			

In addition to the intention advised above, the Chairman of the Meeting intends to vote undirected proxies in favour of each of the items of business unless he has an interest in the outcome of that item. *If you mark the Abstain box for the item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in computing the required majority on a poll.

Appointing a second proxy

We wish to appoint a second proxy

☐ **Mark with an 'X' if you wish to appoint a second proxy**

AND

%

OR

State the percentage of your voting rights or the number of securities for this Proxy Form

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

Individual or Securityholder1

Securityholder2

Securityholder3

Individual/Sole Director and Sole Company Secretary
Director

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

HOW TO COMPLETE THE PROXY FORM

1 Your Address

This form has been sent to your address as it appears on the company's share register. If this address is incorrect, please mark the box and write the correct address on the form. **Please note, you cannot change ownership of your securities using this form.**

2 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a security holder of the Company.

3 Votes on Items of Business

You may direct your proxy how to vote by placing a mark in one of the three boxes opposite the item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on an item by inserting the percentage or number of securities you wish to vote in the appropriate box. If you do not mark any of the boxes on a given item, 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.

4 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 contacting the Company's registered office or you may copy this form.

To appoint a second proxy you must:

- a) indicate that you wish to appoint a second proxy by marking the box;
- b) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities 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;
- c) return both forms together in the same envelope.

5 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, all of the security holders should sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the company. 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.

Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address given below no later than 48 hours before the commencement of the meeting at 10.00 a.m. (Sydney time) on 3 September 2015. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents may be lodged by posting, delivery, facsimile or email to:

STIRLING PRODUCTS LIMITED

Level 29, 66 Goulburn Street, Sydney NSW 2000

Telephone: +61 2 8263 4000

Facsimile: +61 2 8263 4111