



HASTINGS RARE METALS LIMITED
ABN 43 122 911 399

NOTICE OF GENERAL MEETING

A general meeting of the Company will be held in the Boardroom of HLB Mann Judd at Level 19, 207 Kent Street, Sydney NSW 2000 on 20 January 2015 at 11am (AEDT).

This Notice of General Meeting and Explanatory Memorandum 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 without delay.

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HASTINGS RARE METALS LIMITED

ABN 43 122 911 399

NOTICE OF GENERAL MEETING

IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is hereby given that a general meeting of shareholders of Hastings Rare Metals Limited (**Company**) will be held in the Boardroom of HLB Mann Judd at Level 19, 207 Kent Street, Sydney NSW 2000 on 20 January 2015 at 11am (AEDT) (**General Meeting**).

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

Terms and abbreviations used in this Notice are defined in Schedule 1.

YOUR VOTE IS IMPORTANT

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

VOTING ELIGIBILITY

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 Shareholders at 7pm on 18 January 2015.

VOTING IN PERSON

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

VOTING BY PROXY

1. (**Appointing a Proxy**): A Shareholder who is entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote for the Shareholder at the meeting. A Shareholder who is entitled to cast 2 or more votes at the Meeting may appoint a second proxy. The appointment of the second proxy must be done on a separate copy of the proxy form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the Shareholder's voting rights. If a Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a Shareholder of the Company.

2. **(Direction to Vote):** A proxy need not vote in that capacity on a show of hands on any Resolution nor (unless the proxy is the Chairman of the Meeting) on a poll. However, if the proxy's appointment specifies the way to vote on a Resolution, and the proxy decides to vote in that capacity on that Resolution, the proxy must vote the way specified (subject to the other provisions of this notice of general meeting, including the voting exclusions noted below).
3. **(Voting restrictions with respect to undirected proxies)** If a Shareholder appoints the Chairman of the Meeting as their proxy and the Shareholder does not direct the Chairman of the Meeting how to vote on Resolutions 2 and 5, the Shareholder authorises the Chairman of the Meeting in respect of Resolutions 2 and 5 to exercise the proxy even if the Chairman of the Meeting has an interest in the outcome of the vote on Resolutions 2 and 5, and that any votes cast by the Chairman of the Meeting in respect of Resolutions 2 and 5, other than as proxy holder, will be disregarded because of that interest.

The Chairman of the Meeting intends to vote undirected proxies (where he has been appropriately authorised, having regard to the voting restrictions set out in this Notice of General Meeting) in favour of each Resolution.

4. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form (and attach any authority under which it is signed or a copy which appears on its face to be an authentic copy) by:
 - (a) post to Hastings Rare Metals Limited, PO Box Q128 Queen Victoria Building, Sydney, NSW 1230; or
 - (b) facsimile to the Company on facsimile number +61 2 8268 8699, or
 - (c) by email to guy@hastingsraremetals.com

so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy Forms received later than this time will be invalid.

CORPORATE REPRESENTATIVE

A body corporate which is a Shareholder, or which has been appointed as a proxy, may appoint an individual to act as its representative at the meeting. Unless it has previously been given to the Company, the representative should bring evidence of their appointment to the Meeting, together with any authority under which it is signed. The appointment must comply with section 250D of the Corporations Act 2001.

ATTORNEY

A Shareholder may appoint an attorney to vote on their behalf. To be effective for the Meeting, the instrument effecting the appointment (or a copy which appears on its face to be an authentic copy) must be received by the deadline for the receipt of proxy forms (see above), being no later than 48 hours before the Meeting.

AGENDA

1. Resolution 1 - Ratification of prior issue of 17,856,134 Shares

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

"That, for the purposes of ASX Listing Rule 7.4 and all other purposes, Shareholders ratify the issue of 17,856,134 Shares to institutional and sophisticated investors at an issue price of \$0.07 per Share and otherwise on the terms and conditions set out in the Explanatory Memorandum."

2. Resolution 2 – Approval to participate in a placement and to issue 3,250,000 Shares – Mr Charles Lew

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

"That, for the purposes of ASX Listing Rule 10.11 and all other purposes, approval is given for the Company to issue 3,250,000 shares to Mr Charles Lew (or his nominee) who is a Director of the Company at an issue price of \$0.07 per Share and otherwise on the terms and conditions set out in the Explanatory Memorandum."

3. Resolution 3 – Approval to participate in a placement and issue 750,000 Shares – Mr Anthony Ho

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

"That, for the purposes of ASX Listing Rule 10.11 and all other purposes, approval is given for the Company to issue 750,000 shares to Mr Anthony Ho (or his nominee) who is a Director of the Company at an issue price of \$0.07 per Share and otherwise on the terms and conditions set out in the Explanatory Memorandum."

4. Resolution 4 – Approval to participate in a placement and issue 1,643,866 Shares – Mr Malcolm Mason

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

"That, for the purposes of ASX Listing Rule 10.11 and all other purposes, approval is given for the Company to issue 1,643,866 shares to Mr Malcolm Mason (or his nominee) who is a Director of the Company at an issue price of \$0.07 per Share and otherwise on the terms and conditions set out in the Explanatory Memorandum."

5. Resolution 5 – Approval of issue of shares under the SPP Underwriting Agreement to Mr Charles Lew

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

"That, for the purposes of ASX Listing Rule 10.11 and all other purposes, approval is given to issue up to 21,428,571 Shares to Mr Charles Lew (or his nominee) who is a Director of the Company under the SPP Underwriting Agreement at an issue price of \$0.07 per Share and otherwise on the terms and conditions set out in the Explanatory Memorandum."

6. Resolution 6 – Approval of issue of shares under the SPP Underwriting Agreement to Dr Choon Huat Lee

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

"That, for the purposes of ASX Listing Rule 7.1 and all other purposes, approval is given to issue up to 7,142,857 Shares to Dr Choon Huat Lee (or his nominee) under the SPP Underwriting Agreement at an issue price of \$0.07 per Share and otherwise on the terms and conditions set out in the Explanatory Memorandum."

VOTING EXCLUSION STATEMENTS

Under ASX Listing Rule 14.11, the Company will disregard any votes cast on the Resolutions by the following persons:

| RESOLUTION | PERSONS EXCLUDED FROM VOTING |
|---|---|
| 1. Ratification of prior issue of 17,856,134 Shares | <ul style="list-style-type: none"> • Any person who participated in the issue; and • Any of their respective associates. |
| 2. Approval to participate in a placement and issue 3,250,000 Shares to Mr Charles Lew | <ul style="list-style-type: none"> • Mr Charles Lew • Mr Lew's nominees; and • Any of their respective associates. |
| 3. Approval to participate in a placement and issue 750,000 Shares to Mr Anthony Ho | <ul style="list-style-type: none"> • Mr Anthony Ho • Mr Ho's nominees; and • Any of their respective associates. |
| 4. Approval to participate in a placement and issue 1,643,866 Shares to Mr Malcom Mason | <ul style="list-style-type: none"> • Mr Malcolm Mason • Mr Mason's nominees; and • Any of their respective associates. |
| 5. Approval of issue of shares under the SPP Underwriting Agreement to Mr Charles Lew | <ul style="list-style-type: none"> • Mr Charles Lew; • Mr Lew's nominees; and • Any of their respective associates. |
| 6. Resolution 6 – Approval of issue of shares under the SPP Underwriting Agreement to Dr Choon Huat Lee | <ul style="list-style-type: none"> • Dr Choon Huat Lee; • Dr Lee's nominees; and • Any of their respective associates. |

However, the Company need not disregard a vote if:

- (a) It is cast by a person as proxy for a member who is entitled to vote, in accordance with the directions on the proxy appointment form; or
- (b) 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.

BY ORDER OF THE BOARD OF DIRECTORS

Guy Robertson

Company Secretary

Dated: 19 December 2014

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business specified to be conducted at the General Meeting to be held in the Boardroom of HLB Mann Judd at Level 19, 207 Kent Street, Sydney NSW 2000 on 20 January 2015 at 11am (AEDT).

The Directors recommend that Shareholders read this Explanatory Memorandum in full in conjunction with the accompanying Notice of which this Explanatory Memorandum forms a part.

1. Background to Resolutions 1 to 6

On 8 December 2014 the Company announced a capital raising of \$6,500,000 (93,500,000 Shares at 7 cents each) before costs, to institutional and sophisticated investors (**Placement**).

Funds raised under the Placement will be used for a pre-feasibility study (PFS) of the Yangibana rare earths project. The pre-feasibility study will incorporate the following:

- Mining lease application (s)
- Further drilling to achieve target tonnage
- Mine design and scheduling
- Metallurgical test work and detailed flow sheet design
- Processing plant design and costing (for capital and operating costs)
- Infrastructure review
- Government regulatory approvals
- Environmental study
- Pilot plant confirmation
- Indigenous Culture and Heritage Agreements

Of the placement Shares, the issue of 70,000,000 Shares were approved by Shareholders at the Annual General Meeting held on 18 November 2014 (Resolution 4). Directors Messrs Lew, Ho and Mason have agreed to participate in the Placement for a total of 5,643,866 Shares, subject to Shareholder approval.

In the resolutions below Shareholders are being requested to ratify the issue of 17,856,134 shares to enable the Company to be able to retain its 15% capacity and to approve those shares subscribed for by Directors being 5,643,866 shares, at the same price (7 cents a share) and on the same terms as the placement to other subscribing parties.

Subsequent to the Placement the Company announced (on 9 December 2014) a Share Purchase Plan (**SPP**) to raise a further \$2 million which will allow the Company to fund the Pre-Feasibility study through to its completion. The SPP is severally underwritten by Messrs Lew and Dr Choon Huat Lee for 21,428,571 Shares and 7,142,857 Shares respectively. They will each be paid an underwriting fee of 6%.

A summary of the capital structure pre and post the Placement and SPP is set out below:

| Item | Description | # of Shares | Resolution |
|------|---|--------------------|--------------|
| | Issued Capital as at 11 December 2014 | 261,888,344 | |
| | Placement shares approved by Resolution 4 of AGM held on 18 November 2014 | 70,000,000 | |
| 1 | Ratification of Placement Shares | 17,856,134 | Resolution 1 |
| 2 | Approval of issue of Placement shares to Mr Charles Lew | 3,250,000 | Resolution 2 |
| 3 | Approval of issue of Placement shares to Mr Anthony Ho | 750,000 | Resolution 3 |
| 4 | Approval of issue of Placement shares to Mr Malcolm Mason | 1,643,866 | Resolution 4 |
| | Issued Capital Post Placement | 355,388,344 | |
| | Share Placement Plan (Issue date 20 January 2015) underwritten by an entity associated with a Director Mr Charles Lew | 21,428,571 | Resolution 5 |
| | Share Placement Plan (Issue date 20 January 2015) underwritten by an unrelated third party – Dr Choon Huat Lee | 7,142,857 | Resolution 6 |
| | Issued Capital Post Share Purchase Plan | 383,959,772 | |

2. Resolution 1 – Ratification of prior issue of 17,856,134 Shares

2.1 Background

Under Resolution 1, the Company seeks Shareholder ratification of the allotment and issue by the Company of 17,856,134 Shares to institutional and sophisticated investors on 16 December 2014. These Shares were issued within the Company's existing capacity under ASX Listing Rule 7.1.

2.2 ASX Listing Rule Requirements

ASX Listing Rule 7.1 provides, in summary, that a listed company must not, subject to specified exceptions, issue equity securities in any 12 month period which, when aggregated with the equity securities issued by a company during the previous 12 months, will exceed 15% of the total number of fully paid ordinary shares on issue in the company at the beginning of the 12 month period, except with the prior approval of Shareholders.

ASX Listing Rule 7.4 provides that an issue by a company of equity securities made without approval under ASX Listing Rule 7.1 is treated as having been made with approval for the purposes of ASX Listing Rule 7.1 if the issue did not breach ASX Listing Rule 7.1 and the company's members subsequently approve it.

Shareholder approval will restore the Company's ability to issue further equity securities under ASX Listing Rule 7.1 in the next 12 months from the date of issue, to the extent of the 17,856,134 Shares.

2.3 ASX Listing Rule Disclosure Requirements

The following information is provided in accordance with ASX Listing Rule 7.5:

- (a) *The number of securities issued*
The number of Shares issued was 17,856,134.
- (b) *The price at which the securities were issued*
The Shares were issued at a price of \$0.07 per Share.
- (c) *The terms of the securities*
The Shares are 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 names of the persons to whom the Company issued the securities or the basis upon which those persons were determined*
The Shares were issued to institutional and sophisticated investors, who are unrelated parties.
- (e) *The use (or intended use) of the funds raised*
The funds raised will be used for a Pre-Feasibility Study on the Yangibana Rare Earths project as announced to the ASX on 8 December 2014.
- (f) *Voting Exclusion*
A voting exclusion statement forms part of this Notice.

2.4 Directors' Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 1 as it will allow the Company greater flexibility to issue further securities which could assist the Company to raise capital and to preserve cash resources.

3. Resolutions 2, 3 and 4 – Approval to Participate in a Placement and to Issue Shares to Directors

3.1 Background

Under Resolutions 2, 3 and 4, the Company seeks Shareholder approval under ASX Listing Rule 10.11 for the issue of Shares under the Placement to Directors of the Company Mr Charles Lew, Mr Anthony Ho and Mr Malcolm Mason.

ASX Listing Rule Requirements

Unless one of the exceptions under ASX Listing Rule 10.12 applies, ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval prior to the issue of securities, such as the Shares proposed to be issued under Resolutions 2, 3 and 4, to a related party of the Company. If approval is given under ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1.

The Company requires shareholder approval to issue the Shares to Mr Charles Lew, Mr Anthony Ho and Mr Malcolm Mason as, for the purposes of ASX Listing Rule 10.11, as each Director is a related party of the Company.

If Shareholder approval is obtained under Resolutions 2, 3 and 4, the Shares referred to in Resolutions 2, 3 and 4 will not be counted as reducing the number of equity securities which the Company can issue without Shareholder approval under the limit imposed by ASX Listing Rule 7.1.

3.2 ASX Listing Rule Disclosure Requirements

The following information is provided to members for the purpose of Listing Rule 10.13:

- (a) *The name of the person to whom the securities will be issued*
The Shares will be issued to Mr Lew, Mr Ho and Mr Mason, who are Directors of the Company, or their respective nominees.
- (b) *The maximum number of securities to be issued*
The maximum number of Shares to be issued is 3,250,000 Shares to Mr Lew and/or his nominee, 750,000 Shares to Mr Ho and/or his nominee and 1,643,866 to Mr Mason and/or his nominee.
- (c) *The date by which the entity will issue the securities*
Subject to Shareholder approval, the Shares will be issued no later than one month after the date of the Meeting, or such later date as may be approved by the ASX.
- (d) *The issue price of the securities*
The price at which the Shares will be issued will be \$0.07 per Share.
- (e) *The terms of the securities*
The Shares 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.
- (f) *The intended use of the funds raised*
\$395,071 will be raised in this issue as part of the Placement outlined above. The funds will be used for the Yangibana Pre-Feasibility Study as outlined above.
- (g) *Voting Exclusion*
A voting exclusion statement forms part of this Notice.

3.3 Directors' Recommendation

Mr Ho and Mr Mason recommend that Shareholders vote in favour of Resolution 2. Mr Lew abstains from making a recommendation to Shareholders in respect of Resolution 2 as he is personally interested in the outcome of Resolution 2 in that he (or his nominee(s)) is the proposed purchaser of the Shares.

Mr Lew and Mr Mason recommend that Shareholders vote in favour of Resolution 3. Mr Ho abstains from making a recommendation to Shareholders in respect of Resolution 3 as he is personally interested in the outcome of Resolution 3 in that he (or his nominee(s)) is the proposed purchaser of the Shares.

Mr Lew and Mr Ho recommend that Shareholders vote in favour of Resolution 4. Mr Mason abstains from making a recommendation to Shareholders in respect of Resolution 4 as he is personally interested in the outcome of Resolution 4 in that he (or his nominee(s)) is the proposed purchaser of the Shares.

4. Resolutions 5 and 6 – Approval of issue of Shares under the SPP Underwriting Agreement to Messrs Lew and Choon

4.1 Background

The background to Resolutions 5 and 6 is as outlined above.

Underwriting agreements have been entered into with Equator Star Holdings Limited, a Company associated with the Chairman Mr Charles Lew and Dr Choon Huat Lee to severally underwrite the SPP for \$1.5 million and \$500,000 respectively.

The Company has agreed to pay a fee of 6% of the amounts underwritten.

The Company seeks approval under ASX Listing Rules 10.11 and 7.1 for the issue of shares under the underwriting agreements to Mr Lew and Dr Choon respectively.

The Company will not seek approval under Chapter 2E of the Corporations Act 2001 in relation to Mr Lew's underwriting as the independent Directors have determined that the financial benefits given under the underwriting agreement are given on terms that:

- (a) would be reasonable in the circumstances if the Company and Mr Lew were dealing at arm's length; or
- (b) are less favourable to the related party than the terms referred to in paragraph (a).

Approval is sought under ASX Listing Rules 10.11 and Listing Rule 7.1 for the issue of Shares underwritten under the SPP Underwriting Agreements to Mr Lew and Dr Choon respectively. If approval is given under ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1.

4.2 ASX Listing Rule Disclosure Requirements under Listing Rule 10.13

The following information is provided to members for the purpose of Listing Rule 10.13:

- (a) *The name of the person to whom the securities will be issued*
The Shares will be issued to Mr Lew who is a Director of the Company, or his nominee.
- (b) *The maximum number of securities to be issued*
The maximum number of Shares to be issued is 21,428,571 Shares to Mr Lew and/or his nominee.
- (c) *The date by which the entity will issue the securities*
Subject to Shareholder approval, the Shares will be allotted and issued on 30 January 2015.
- (d) *The issue price of the securities*
The price at which the Shares will be issued will be \$0.07 per Share.
- (e) *The terms of the securities*
The Shares 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.

(f) *The intended use of the funds raised*
\$1,500,000 will be raised in this issue as part of the Placement outlined above. The funds will be used for the Yangibana Pre-Feasibility Study as outlined above.

(g) *Voting Exclusion*
A voting exclusion statement forms part of this Notice.

4.3 ASX Listing Rule Disclosure Requirements under Listing Rule 7.3

The following information is provided to members for the purpose of Listing Rule 7.3:

(a) *The maximum number of securities to be issued*
The maximum number of Shares to be issued is 7,142,857 Shares to Dr Lee and/or his nominee.

(b) *The date by which the entity will issue the securities*
Subject to Shareholder approval, the Shares will be issued on 20 January 2015.

(c) *The issue price of the securities*
The price at which the Shares will be issued will be \$0.07 per Share.

(d) *The names of the persons to whom the Company will issue the securities (if known) or the basis upon which those persons will be identified or selected*
The allottees will be Dr Lee and/or his nominee.

(e) *The terms of the securities*
The Shares 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.

(f) *The intended use of the funds raised*
\$500,000 will be raised in this issue as part of the Placement outlined above. The funds will be used for the Yangibana Pre-Feasibility Study as outlined above.

(g) *Voting Exclusion*
A voting exclusion statement forms part of this Notice.

4.4 Directors recommendation

Mr Ho and Mr Mason recommend that Shareholders vote in favour of Resolution 5 as this will allow the Company to raise the funds required in addition to the Placement to enable completion of the Yangibana Pre-Feasibility Study. Mr Lew abstains from making a recommendation to Shareholders in respect of Resolution 5 as he is personally interested in the outcome of Resolution 5 in that he (or his nominee(s)) is the proposed recipient of the fee.

The Directors recommend that Shareholders vote in favour of Resolution 6 as this will allow the Company to raise the funds required in addition to the Placement to enable completion of the Yangibana Pre-Feasibility Study.

Schedule 1 - Definitions

In this Explanatory Memorandum and Notice of General Meeting:

AEDT means Australian Eastern Daylight Saving Time, in Sydney, New South Wales.

ASIC means Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 691 and the market operated by it, as the context requires.

ASX Listing Rules means the Listing Rules of ASX and any other rules of ASX which are applicable while the entity is admitted to the official list of ASX, each as amended or replaced from time to time except to the extent of any express written waiver by ASX.

Board means the Board of Directors.

Company or **Hastings** means Hastings Rare Metals Limited ABN 43122911399.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the directors of the Company.

Explanatory Memorandum means the explanatory memorandum which accompanies and forms part of this Notice.

General Meeting or **Meeting** means the general meeting of the Company to be held on 20 January 2015 at 11am (AEDT), convened by this Notice.

Notice means this Notice of General Meeting.

Option means an option to subscribe for a Share.

Placement has the meaning given in section 1 of the Explanatory Memorandum.

Proxy Form means the proxy form accompanying this Notice.

Resolution means a resolution referred to in this Notice.

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

Shareholder means a holder of a Share.

SPP has the meaning given in section 1 of the Explanatory Memorandum.

SPP Underwriting Agreement means the underwriting agreements entered into by the Company and Equator Star Holdings Limited and Dr Choon Huat Lee respectively and dated 15 December 2014.

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

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HASTINGS RARE METALS LTD

ABN: 43 122 911 399

REGISTERED OFFICE:
SUITE 2508
LEVEL 25, ST MARTINS TOWER
31 MARKET STREET
SYDNEY NSW 2000

SHARE REGISTRY:
Security Transfer Registrars Pty Ltd
All Correspondence to:
PO BOX 535, APPECROSS WA 6953
AUSTRALIA
770 Canning Highway, APPECROSS WA 6153
AUSTRALIA
T: +61 8 9315 2333 F: +61 8 9315 2233
E: registrar@securitytransfer.com.au
W: www.securitytransfer.com.au

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Code: Holder Number:

PROXY FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

**VOTE
ONLINE**Lodge your proxy vote securely at www.securitytransfer.com.au

1. Log into the Investor Centre using your holding details.
2. Click on "Proxy Voting" and provide your Online Proxy ID to access the voting area.

Online Proxy ID:

SECTION A: Appointment of Proxy

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

 The meeting chairperson**OR**

or failing the person named, or if no person is named, the Chairperson 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 General Meeting of the Company to be held at 11.00am on Tuesday 20 January 2015 at the Boardroom of HLB Mann Judd at Level 19, 207 Kent Street, Sydney NSW 2000 and at any adjournment of that meeting.

SECTION B: Voting Directions

Please mark "X" in the box to indicate your voting directions to your Proxy. The Chairperson of the Meeting intends to vote undirected proxies in FAVOUR of all the resolutions. In exceptional circumstances, the Chairperson of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

| RESOLUTIONS | FOR | AGAINST | ABSTAIN* |
|--|--------------------------|--------------------------|--------------------------|
| 1. Ratification of prior issue of 17,856,134 Shares | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Approval to participate in a placement and to issue 3,250,000 Shares – Mr Charles Lew | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Approval to participate in a placement and to issue 750,000 Shares – Mr Anthony Ho | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Approval to participate in a placement and to issue 1,643,866 Shares – Mr Malcolm Mason | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Approval of Underwriting Agreement in relation to the Share Purchase Plan and issue of shares under this agreement to Mr Charles Lew | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Approval of Underwriting Agreement in relation to the Share Purchase Plan and issue of shares under this agreement to Dr Choon Huat Lee | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

If no directions are given my proxy may vote as the proxy thinks fit or may abstain. * 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.

SECTION C: Signature of Security Holder(s)

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

Individual or Security Holder

Security Holder 2

Security Holder 3

Sole Director & Sole Company Secretary

Director

Director/Company Secretary

Proxies must be received by Security Transfer Registrars Pty Ltd no later than 11.00am AEDT on Sunday 18 January 2015.

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My/Our contact details in case of enquiries are:

Name:

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1. NAME AND ADDRESS

This is the name and address on the Share Register of the Company. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

2. APPOINTMENT OF A PROXY

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a shareholder of the Company.

3. DIRECTING YOUR PROXY HOW TO VOTE

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

4. APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two (2) 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 share registry or you may photocopy this form.

To appoint a second Proxy you must:

- a) On each of the Proxy forms, 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 of your votes; and
- b) Return both forms in the same envelope.

5. SIGNING INSTRUCTIONS

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

Joint Holding: where the holding is in more than one name, all of the Shareholders must sign.

Power of Attorney: to sign under Power of Attorney you must have already lodged this document with the Company's share 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 may sign alone. Otherwise this form must be signed by a Director jointly with either another Director or Company Secretary. Please indicate the office held in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

6. LODGEMENT OF PROXY

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Registrars Pty Ltd no later than the date and time stated on the form overleaf. Any Proxy form received after that time will not be valid for the scheduled meeting.

The proxy form does not need to be returned to the share registry if the votes have been lodged online.

Security Transfer Registrars Pty Ltd

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| Online | www.securitytransfer.com.au |
| Postal Address | PO BOX 535 Applecross WA 6953 AUSTRALIA |
| Street Address | Alexandrea House Suite 1, 770 Canning Highway Applecross WA 6153 AUSTRALIA |
| Telephone | +61 8 9315 2333 |
| Facsimile | +61 8 9315 2233 |
| Email | registrar@securitytransfer.com.au |

PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Registrars Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Registrars Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.

