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**CONICO LTD**  
**ACN 119 057 457**

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**NOTICE OF ANNUAL GENERAL MEETING  
OF SHAREHOLDERS**

**EXPLANATORY STATEMENT**

**AND**

**PROXY FORM**

**TO BE HELD ON**

**24 NOVEMBER 2017  
COMMENCING AT 2:00 PM**

**AT**

**Level 15  
197 St Georges Terrace, Perth  
WESTERN AUSTRALIA**

# CONICO LTD

(ACN 119 057 457)

## NOTICE OF MEETING

Notice is hereby given that an Annual General Meeting of shareholders of Conico Ltd (the **Company**) will be held at Level 15, 197 St Georges Terrace, Perth on Friday the 24<sup>th</sup> day of November 2017 at 2:00pm.

### AGENDA

#### 1. Annual Reports

To table the Annual Financial Report for the financial year ended 30 June 2017 and the Director's Report and Auditor's Report for that financial year.

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

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

*"That for the purposes of section 250R(2) of the Act and for all other purposes, the Company be authorised to adopt the Remuneration Report contained in the Annual Financial Report".*

**Short Explanation:** In accordance with section 249L(2) of the Act, a resolution that the Remuneration Report be adopted must be put to the vote. The effect of section 250R(3) of the Act is that the vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Company will disregard any votes cast on this Resolution 1 by the members of the Company's key management personnel, details of whose remuneration is included in the Remuneration Report and their closely related parties.

However, the Company need not disregard a vote if:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
- (b) the voter is the chair of the meeting and the appointment of the chair as proxy:
  - (i) does not specify the way the proxy is to vote on the resolution; and
  - (ii) expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the entity.

#### 3. Resolution 2 – Election of Director

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

*"That Mr Gregory Solomon being a Director of the Company who retires by rotation pursuant to the Company's Constitution, and being eligible offers himself for re-election is hereby re-elected as a Director of the Company."*

#### 4. Resolution 3 – Ratification of amendments to, and approval of, the Company's Employee Share Option Plan

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

*"That, for the purposes of Exception 9 of ASX Listing Rule 7.2 and for all other purposes, that the issue of Options under the Company's Employee Share Option Plan, as the same was amended by a resolution of the Board made 29 August 2017 (which amended the definition of "Exercise Price" by deleting "(a) 20 cents; or" and inserting in lieu thereof, "125% of the weighted average market price of Shares sold on the ASX on the 5 trading days immediately before the date the board approves the issue of the Options to the Eligible Employee under the ESOP (the Date of Issue); or") ("ESOP") is approved .*

The Company will disregard any votes cast on this Resolution 3 by the Directors of the Company (except Directors who are ineligible to participate in the ESOP) and their respective associates, other than votes cast:

- as proxy in accordance with the directions on the proxy form, for any other shareholder of the Company who is entitled to vote; and
- by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

The Board of Directors recommends that shareholders vote in favour of this Resolution.

#### 5. Resolution 4 – Ratification and Approval of Issue of ESOP Options by Directors

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

*"That, for the purpose of ASX Listing Rules 7.1 and 7.4 and for all other purposes, shareholders ratify and approve the issue to 3 employees and key consultants of the Company, free of charge, of 6,000,000 options under the Company's ESOP, each to acquire one Share at an exercise price of \$0.0625 at any time on or before 28 August 2020 and otherwise on the terms and conditions set out in the attached explanatory statement."*

The Company will disregard any votes cast on this Resolution 4 by the employees and key consultants who participated in the ESOP issue the subject of this Resolution 4 and any associates of any of these recipients. However, the Company need not disregard a vote if:

- (c) 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
- (d) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

#### 6. Resolution 5 – Issue of Options to Gregory Solomon

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

*"That, for the purposes of Part 2E.1 of the Act and Chapter 10 of the Listing Rules, and for all other purposes, approval is given for the Company to issue to Gregory Solomon (a current Director of the Company) 2,000,000 Options in the Company, each to acquire*

*one fully paid ordinary Share in the Company at an exercise price per option of 125% of the share price on the grant date, which Options shall be exercisable at any time prior to 5.00pm WST on 20 November 2020 (the Time of Expiry) and otherwise on the terms and conditions set out in the Explanatory Statement attached to this Notice."*

Note 1: The Options will be issued no later than 1 month from the date of the Annual General Meeting.

In accordance with the requirements of the Listing Rules, the Company will disregard any votes cast on this Resolution 5 by Gregory Solomon and his associates. However, the Company need not disregard a vote if:

- (a) 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
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

In accordance with section 224 of the Act the Company will disregard any vote cast on this Resolution 5 by any of the following persons (regardless of the capacity in which they vote):

- (a) Gregory Solomon, being the related party of the Company to whom this resolution would permit the financial benefit to be given; and
- (b) an associate of Gregory Solomon.

However, in accordance with section 224(2) of the Act, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy appointed in writing that specifies how the proxy is to vote on this resolution; and
- (b) it is not cast on behalf of the related party (Gregory Solomon) or any of the related party's associates.

## **7. Resolution 6 – Issue of Options to Douglas Solomon**

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

*"That, for the purposes of Part 2E.1 of the Act and Chapter 10 of the Listing Rules, and for all other purposes, approval is given for the Company to issue to Douglas Solomon (a current Director of the Company) 2,000,000 Options in the Company, each to acquire one fully paid ordinary Share in the Company at an exercise price per option of 125% of the share price on the grant date, which Options shall be exercisable at any time prior to 5.00pm WST on 20 November 2020 (the Time of Expiry) and otherwise on the terms and conditions set out in the Explanatory Statement attached to this Notice."*

Note 1: The Options will be issued no later than 1 month from the date of the Annual General Meeting.

In accordance with the requirements of the Listing Rules, the Company will disregard any votes cast on this Resolution 6 by Douglas Solomon and his associates. However, the Company need not disregard a vote if:

- (a) 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
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

In accordance with section 224 of the Act the Company will disregard any vote cast on this Resolution 6 by any of the following persons (regardless of the capacity in which they vote):

- (a) Douglas Solomon, being the related party of the Company to whom this resolution would permit the financial benefit to be given; and
- (b) an associate of Douglas Solomon.

However, in accordance with section 224(2) of the Act, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy appointed in writing that specifies how the proxy is to vote on this resolution; and
- (b) it is not cast on behalf of the related party (Douglas Solomon) or any of the related party's associates.

## **8. Resolution 7 – Issue of Options to Guy Le Page**

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

*"That, for the purposes of Part 2E.1 of the Act and Chapter 10 of the Listing Rules, and for all other purposes, approval is given for the Company to issue to Guy Le Page (a current Director of the Company) 2,000,000 Options in the Company, each to acquire one fully paid ordinary Share in the Company at an exercise price per option of 125% of the share price on the grant date, which Options shall be exercisable at any time prior to 5.00pm WST on 20 November 2020 (the Time of Expiry) and otherwise on the terms and conditions set out in the Explanatory Statement attached to this Notice."*

Note 1: The Options will be issued no later than 1 month from the date of the Annual General Meeting.

In accordance with the requirements of the Listing Rules, the Company will disregard any votes cast on this Resolution 7 by Guy Le Page and his associates. However, the Company need not disregard a vote if:

- (a) 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
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

In accordance with section 224 of the Act the Company will disregard any vote cast on this Resolution 7 by any of the following persons (regardless of the capacity in which they vote):

- (a) Guy Le Page, being the related party of the Company to whom this resolution would permit the financial benefit to be given; and
- (b) an associate of Guy Le Page.

However, in accordance with section 224(2) of the Act, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy appointed in writing that specifies how the proxy is to vote on this resolution; and
- (b) it is not cast on behalf of the related party (Guy Le Page) or any of the related party's associates.

#### **9. Resolution 8 – Issue of Options to James Richardson**

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

*"That, for the purposes of Part 2E.1 of the Act and Chapter 10 of the Listing Rules, and for all other purposes, approval is given for the Company to issue to James Richardson (a current Director of the Company) 2,000,000 Options in the Company, each to acquire one fully paid ordinary Share in the Company at an exercise price per option of 125% of the share price on the grant date, which Options shall be exercisable at any time prior to 5.00pm WST on 20 November 2020 (the Time of Expiry) and otherwise on the terms and conditions set out in the Explanatory Statement attached to this Notice."*

Note 1: The Options will be issued no later than 1 month from the date of the Annual General Meeting.

In accordance with the requirements of the Listing Rules, the Company will disregard any votes cast on this Resolution 8 by James Richardson and his associates. However, the Company need not disregard a vote if:

- (a) 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
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

In accordance with section 224 of the Act the Company will disregard any vote cast on this Resolution 8 by any of the following persons (regardless of the capacity in which they vote):

- (a) James Richardson, being the related party of the Company to whom this resolution would permit the financial benefit to be given; and
- (b) an associate of James Richardson.

However, in accordance with section 224(2) of the Act, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy appointed in writing that specifies how the proxy is to vote on this resolution; and
- (b) it is not cast on behalf of the related party (James Richardson) or any of the related party's associates.

#### **10. General**

To transact any business which may be brought before the meeting in accordance with the Constitution of the Company, the Act, or otherwise.

#### **PROXIES**

In accordance with section 249L of the Act, shareholders are advised each shareholder has a right to appoint a proxy, the proxy need not be a shareholder of the Company, and a shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

In accordance with section 250BA of the Act the Company specifies the following for the purposes of receipt of proxy appointments:

By hand delivery to the Registered Office:

Level 15, 197 St Georges Terrace, Perth, Western Australia 6000

By Post to PO Box 7055, Cloisters Square, Perth, Western Australia 6850

By facsimile to: (08) 9282 5866

Each shareholder entitled to vote at the Annual General Meeting has the right to appoint a proxy to vote on each particular Resolution. A shareholder may specify the way in which the appointed proxy is to vote on a particular Resolution or may allow the appointed proxy to vote at its discretion. The instrument appointing the proxy must be received by the Company as provided in its Constitution no later than 48 hours prior to the time of the commencement of the Annual General Meeting. This proxy form may be sent by facsimile transmission to the number identified on the proxy form. Where a shareholder appoints the Chairman as their proxy and does not expressly direct the Chairman to vote 'For' or 'Against' a resolution or to abstain from voting on a resolution, the Chairman intends to vote in favour of such resolution. Notwithstanding the Chairman's voting intention, a shareholder can (where they have appointed the Chairman as their proxy) expressly direct the Chairman to vote for or against such resolution, or to abstain from voting on such resolution, by marking the appropriate box on their proxy form. That is, a shareholder can direct the Chairman to vote as their proxy in a manner which is contrary to the Chairman's stated voting intentions. If a shareholder does not mark any of the 'For', 'Against' or 'Abstain' boxes on the proxy form for Resolution 1 (Adoption of Remuneration Report), that shareholder will thereby be taken to have directed the Chairman to vote in accordance with the Chairman's stated voting intention (that is, to vote in favour of such resolution).

A corporation may elect to appoint a representative in accordance with the Act in which case the Company will require written proof of the representative's appointment which must be lodged with, or presented to the Company before the meeting.

For the purposes of Regulation 7.11.37 of the *Corporations Regulations 2001* the Company determines that shareholders holding ordinary shares at 5.00pm WST on 22 November 2017 will be entitled to attend and vote at the Annual General Meeting.

Except where the contrary intention appears, all defined terms used in this Notice of Meeting have the meanings set out in the glossary of the Explanatory Statement accompanying this Notice.

#### **By Order of the Board of Directors**

A P Gates

Company Secretary

Dated this 25<sup>th</sup> day of October 2017

**CONICO LTD**  
(ACN 119 057 457)

**EXPLANATORY STATEMENT FOR SHAREHOLDERS**

This Explanatory Statement is intended to provide shareholders of the Company with sufficient information to assess the merits of each Resolution contained in the accompanying Notice of Annual General Meeting of the Company.

The Directors recommend that shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions. The following information should be noted in respect of the various matters contained in the accompanying Notice of Meeting.

**1 – RECEIVE AND CONSIDER THE ANNUAL REPORTS**

The first agenda item is to receive and consider the Annual Financial Report, Director's Report and Auditor's Report for the Company for the financial year ended 30 June 2017. No Resolution is required in respect of this agenda item. However, it provides shareholders with the opportunity to ask questions of the Company's Directors and auditors in relation to the Company's results and operations for the financial year.

**2 – REMUNERATION REPORT**

The Annual Financial Report for the financial year ended 30 June 2017 contains a Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with section 249L(2) of the Act, a resolution that a Remuneration Report be adopted must be put to the vote. However, pursuant to section 250R(3) of the Act, the vote on the Resolution is advisory only and will not require the Directors or the Company to alter any arrangements detailed in the Remuneration Report, should the Resolution not be passed.

Where the Chairman is appointed as proxy for a shareholder to vote on this resolution and is not expressly directed by such shareholder to vote 'For' or 'Against' this resolution, or to 'Abstain' from voting on this resolution, the Chairman intends to vote in favour of this resolution.

**3 – RE-ELECTION OF DIRECTOR**

In accordance with the Company's Constitution, Mr Gregory Solomon retires by rotation and, being eligible, offers himself for re-election as a Director of the Company.

Mr Gregory Solomon has been a Board member since March 2006. Mr G Solomon is a qualified lawyer with more than 30 years' Australian and international experience in a wide range of areas including commercial negotiation and corporate law. Mr G Solomon has over 15 years' experience as a director on a number of ASX listed companies.

The Board recommends that shareholders vote in favour of this Resolution.

**4 – RATIFICATION OF AMENDMENT TO, AND APPROVAL OF, EMPLOYEE SHARE OPTION PLAN**

In 2007, the Company's ESOP was established to allow the Company's employees to participate in the ownership of the Company and to provide employees with both short and long term incentives to achieve growth in shareholder wealth.

Listing Rule 7.1 prohibits an entity from issuing or agreeing to issue equity securities in any 12-month period which amount to more than 15% of its ordinary securities without the approval of holders of its ordinary securities.

However, exemption 9(b) of Listing Rule 7.2 provides that Listing Rule 7.1 does not apply in relation to, among other things, an issue under an employee incentive scheme if within 3 years before the date of the issue the holders of the entity's ordinary securities approved the issue of securities under the scheme as an exception to Listing Rule 7.1.

The Listing Rules define "employee incentive scheme" to include a scheme for the issue or acquisition of equity securities in an entity to be held by, or for the benefit of, participating employees or non-executive directors of the entity or a related entity. Under the Listing Rules, equity securities include options over issued or unissued shares in an entity. The Company's ESOP is therefore an employee incentive scheme for the purposes of the Listing Rules.

The Company's shareholders approved the issue of securities under the Company's ESOP at the Company's AGM on 8 November 2016. Accordingly, the approval required to attract exemption 9(b) of Listing Rule 7.2 is still current.

Clause 9.1 of the Company's ESOP provides that the Board may from time to time amend, vary or supplement the rules of the Company's ESOP by resolution of the Board without the consent of any eligible employee under, or participant of, the Company's ESOP.

In exercise of this power, by resolution made on 29 August 2017, the Board resolved to amend the Company's ESOP by amending the definition of "Exercise Price" by deleting "(a) 20 cents; or" and inserting in lieu thereof, "125% of the weighted average market price of Shares sold on the ASX on the 5 trading days immediately before the date the board approves the issue of the Options to the Eligible Employee under the ESOP (the Date of Issue); or".

The effect of this change is to reduce the minimum price at which the Board may in the future issue options under the ESOP (to the amount being 125% of the weighted average market price of Shares sold on the ASX on the 5 trading days immediately before the date the board approves the issue of the Options to the Eligible Employee under the ESOP).

In light of this change, the Board considers it appropriate to re-seek shareholder approval to the terms of the Company's ESOP (as amended) for the purposes of exemption 9(b) of ASX Listing Rule 7.2, and for all other purposes. If shareholder approval is granted, Options issued under the ESOP during the next 3 years will be excluded in determining the 15% limit under Listing Rule 7.1. This would assist the Company by providing additional fundraising flexibility.

As at the date of the Notice, 6,000,000 Options have been issued under the ESOP since the date of the last approval (on 8 November 2016). 6,000,000 of these Options are the subject of Resolution 5 below.

The following information is provided for the purposes of Listing Rule 7.2 Exception 9(b):

1. A summary of the terms of the ESOP, as the same was amended by a resolution of the Board made on 29 August 2017, is set out in Schedule 1.

2. The number of Options issued under the ESOP since the date of the last approval is 6,000,000.
3. The Company will disregard any votes cast on this Resolution by a Director of the Company (except one who is ineligible to participate in the ESOP) or any of his or her associates. However, the Company will not disregard a vote if:
  - 3.1 it is cast by a Director (even if the Director is eligible to participate in the ESOP) as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
  - 3.2 it is cast by the person chairing the Annual General Meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form.

The Board recommends that shareholders vote in favour of this Resolution.

## 5 - RATIFICATION OF ISSUE OF ESOP OPTIONS BY DIRECTORS

Resolution 4 seeks shareholder approval and ratification, for the purposes of ASX Listing Rules 7.1 and 7.4 and for all other purposes, to the issue, on 29 August 2017, to 3 employees and key consultants of the Company, free of charge, of 6,000,000 options under the Company's ESOP, each to acquire one Share at an exercise price of \$0.0625 at any time on or before 28 August 2020 (**ESOP Options**).

All of these 6,000,000 ESOP Options were issued on the following terms and conditions:

1. The options are subject to the rules of the Company's ESOP, a summary of which is set out in Schedule 1.

No other equity performance or incentive package is planned for any of the employees or key consultants to whom these ESOP Options were issued during the next three year period of the Company's development, unless there is a change in an individual employee's function or level of responsibility.

No directors of the Company (or their related parties) received any of the ESOP Options.

All of these 6,000,000 ESOP Options were issued by the Company under the 15% placement rule in ASX Listing Rule 7.1. As these ESOP Options were issued under the ESOP after it was amended by Board resolution made on 29 August 2017, the Company chose not to rely on Listing Rule 7.2 Exception 9(b).

Listing Rule 7.1 prohibits a company from issuing or agreeing to issue equity securities in any 12 month period which amount to more than 15% of its ordinary securities without the approval of holders of its ordinary securities.

Listing Rule 7.4 provides that an issue of securities made without approval under Listing Rule 7.1 is treated as having been made with approval for the purpose of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and holders of ordinary securities subsequently approve it.

Equity securities issued with the approval of holders of a company's ordinary securities in accordance with Listing Rule 7.1 are not then required to be included in the 15% limit imposed by Listing Rule 7.1. Accordingly, if this Resolution 5 is passed, the Company's 15% placement capacity will be reinstated to the extent of the equity securities the subject of this Resolution 5.

The Company's total issued capital immediately prior to the issue of these 6,000,000 ESOP Options under the Company's ESOP on 29 August 2017 was as follows:

Class	Number
Shares	313,993,387
Unlisted 3 cent Options	40,375,000*

\*On 5 October 2017, 2,000,000 of these Options were exercised and the Company's issued share capital by increased by 2,000,000 Shares.

The issue of these 6,000,000 ESOP Options represented 1.91% of the Company's then issued share capital (of 313,993,387 Shares), and represents 1.90% of the Company's issued share capital as at the date of this Notice (of 315,993,387 Shares).

The Company seeks shareholder approval and ratification to the issue of the 6,000,000 ESOP Options under the Company's ESOP pursuant to Listing Rules 7.1 and 7.4.

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

1. 6,000,000 ESOP Options were issued by the Company to 3 employees and key consultants of the Company on 29 August 2017.
2. All of the ESOP Options were issued free of charge; each ESOP Option is exercisable at an exercise price of \$0.0625 at any time on or before 28 August 2020.
3. The ESOP Options were issued under the Company's ESOP, and are unlisted. Any Shares which are issued consequent upon the exercise of any of these options will rank *pari passu* with the existing issued Shares of the Company and will be quoted on the ASX.
4. The ESOP Options were all issued to employees or key consultants of the Company under the Company's ESOP. The recipients of the ESOP Options are not related parties of the Company.
5. No funds were raised from the issue of the ESOP Options: they were issued to encourage the employees and key consultants of the Company to remain with the Company. Any funds which are raised from the exercise of these ESOP Options will be applied to the Company's ongoing working capital requirements.

### Voting exclusion statement

The Company will disregard any votes cast on this Resolution 5 by the employees and key consultants who participated in the ESOP issue the subject of this Resolution 5 and any associates of any of these recipients. However, the Company need not disregard a vote if:

- (a) 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
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

## 6 to 9 – ISSUE OF OPTIONS TO COMPANY DIRECTORS

Resolutions 5, 6, 7 and 8 seek shareholder approval for the purposes of Part 2E.1 of the Act and Chapter 10 of the Listing Rules, and for all other purposes, for the Company to issue Options to the current Directors of the Company.

The Directors of the Company have resolved that, subject to receiving approval of the Company's shareholders in accordance with Resolutions 5, 6, 7 and 8, each of the current Directors of the Company will be issued with 2,000,000 Options. The Directors of the Company as at the date of this Explanatory Statement are Gregory Solomon, Douglas Solomon, Guy Le Page and James Richardson.

The Options are being issued to the Directors in consideration of services which they have provided, and will subsequently provide, to the Company.

The terms and conditions upon which the Options will be issued (**Terms and Conditions**) are as follows:

1. The Options are exercisable at any time prior to 5.00pm WST 20 November 2020 (the **Time of Expiry**). Options not exercised on or before the Time of Expiry will automatically lapse.
2. The Options may be exercised wholly or in part by completing a notice of exercise of options in a form approved by the Company (a **Notice of Exercise**) and delivering it to the Company's registered office at any time prior to the Time of Expiry.
3. The Options entitle the holder to subscribe (in respect of each Option held) for one fully paid ordinary Share in the Company at an exercise price per Option of 125% of the 5 day weighted average share price immediately prior to the grant date.
4. Upon the exercise of the Options and receipt of all relevant documents and payment, Shares will be issued ranking equally with the then issued Shares, and the Company will apply to ASX to have the Shares so issued granted official quotation.
5. Any Notice of Exercise received by the Company prior to the Time of Expiry will be deemed to be a Notice of Exercise as at the last business day (a day other than a Saturday or a Sunday on which banks are open for business in Perth, Western Australia) of the month in which it is received.
6. There are no participating entitlements inherent in the Options to participate in new issues of capital, which may be offered to shareholders of the Company during the currency of the Options. Prior to any new pro rata issue of securities to shareholders of the Company, holders of Options will be notified by the Company and afforded 10 business days before the Record Date (as defined in the Listing Rules to determine entitlements to the issue), to exercise their Options.
7. In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the Time of Expiry, the number of Options or the exercise price of the Options (or both) shall be reconstructed (as appropriate) in a manner which will not result in any benefits being conferred on the holders of the Options which are not being conferred on shareholders of the Company and (subject to the provisions with respect to rounding entitlements as sanctioned by the meeting of Company shareholders approving the reconstruction of capital) in all respects, the terms for the exercise of the Options shall remain unchanged. For these purposes, the rights of the holders of the Options may be changed from time to time to comply with the Listing Rules applying to a reorganisation of capital, at the time of reorganisation.
8. The Options may be transferred at any time prior to the Time of Expiry.
9. Shares issued pursuant to the exercise of an Option will be issued not more than 14 days after the Notice of Exercise.

The Directors (or their related parties) currently hold the Shares in the Company set out below. If all of the Options proposed to be issued to the Directors are exercised, an additional 8,000,000 Shares in the Company will then be on issue. The capital structure of the Company as it will stand if all of the Options the subject of Resolutions 6, 7, 8 and 9 are issued to the Directors (assuming no further Shares are issued and that none of the currently issued Options are converted into Shares) and as it will stand if all of these Options are subsequently exercised (assuming all of the other Options currently on issue in the Company are also exercised) is also set out below:

Holders	Shares	Options	Upon Exercise
G Solomon	23,105,469	2,000,000	25,105,469
D Solomon	21,586,875	2,000,000	23,586,875
G Le Page	15,852,502	2,000,000	17,852,502
J Richardson	28,500,000	2,000,000	30,500,000
Others	22,6948,541	44,375,000	271,323,541
<b>Totals</b>	<b>315,993,387</b>	<b>52,375,000</b>	<b>368,368,387</b>

Subject to the significant qualifications detailed below the Directors have estimated, using the valuation methodology summarised below, that the accounting value of each of the Options to be issued to the Directors is \$0.0231 per Option. Therefore the total accounting value of each Director's 2,000,000 Options would be \$46,200 (estimated).

The Options have been indicatively valued using the Black-Scholes Option Valuation Model (the **Model**), which takes account of factors including option exercise price, the current underlying share price volatility, risk-free interest rate, expected dividends on the

underlying share, current market price of the underlying share and the expected option life. The Model attributes an indicative value of \$0.0231 per Option on the following assumptions:

- (a) the Options are exercisable at a price per Option of \$0.04625 (being 125% of the Company's share price on 6 October 2017);
- (b) underlying Share price volatility of 108%;
- (c) a risk-free interest rate of 1.8% per annum (based on the 2-year bond rate as at 6 October 2017);
- (d) the underlying value of each Share being \$0.037 (based on the value of the Company's shares on the ASX on 6 October 2017); and
- (e) no dividends being payable.

The estimated value of each Option is subject to considerable uncertainty because many of the parameters of the Model are difficult to estimate. For example, the share price may after 6 October 2017 go above, or below, \$0.037 per Share.

Other parameters, such as the risk-free interest rate, are more certain.

## **The Act**

Part 2E.1 of the Act regulates the provision of "financial benefits" by public companies. The Company is a public company.

Section 208(1) of the Act provides that the Company can only give a financial benefit to a "related party" of the Company if the Company obtains the approval of its shareholders in accordance with the procedures set out in Part 2E.1 of the Act.

Directors of public companies are related parties for the purposes of the Act. Gregory Solomon, Douglas Solomon, Guy Le Page and James Richardson are Directors, and therefore related parties, of the Company.

The Act deems the issue of an option by a public company to a related party to constitute the giving of a financial benefit to that related party.

In the circumstances, the issue of these Options will result in the Company giving a financial benefit to Gregory Solomon, Douglas Solomon, Guy Le Page and James Richardson, who are related parties of the Company.

The Options are being issued to the Directors in consideration of services which they have provided, and will subsequently provide, to the Company. Section 211 of the Act provides an exception to the need to obtain shareholder approval to the giving of a financial benefit to a related party where the financial benefit is remuneration given to an officer (including a director) of a public company and giving the remuneration would be reasonable given the respective circumstances of the public company and the related party (including the responsibilities involved in the office or employment).

The Directors consider that the issue of the Options to the Directors is reasonable given the circumstances of the Company and the Directors. However to avoid doubt the Company is seeking shareholder approval for the purposes of Part 2E.1 of the Act. If the approval of the shareholders of the Company is not obtained, the Options will not be issued to the Directors.

As required by Part 2E.1 of the Act, and in particular section 219 of the Act, the following information contained in paragraphs A, B and C below is provided to allow the shareholders of the Company sufficient information to determine whether or not they should approve these Resolutions.

### **A. Resolution 5**

- 1. The proposed financial benefit will be given to Gregory Solomon (who is a Director).
- 2. The nature of the financial benefit is the issue of 2,000,000 Options in the Company on the Terms and Conditions set out above.
- 3. Gregory Solomon (the person to whom the financial benefit will be given) does not wish to make a recommendation to shareholders about this Resolution on the basis that he has an interest in the Resolution's passage. None of the other directors of the Company wish to make a recommendation to shareholders about this Resolution on the basis that they each have an interest in the passage of a similar resolution.
- 4. Gregory Solomon, as a Director and the person to whom the financial benefit will be payable, has an interest in this Resolution. None of the other Directors of the Company have an interest in the outcome of this Resolution 5 but each of them has an interest in the passage of a similar resolution (see resolutions 6, 7 and 8).
- 5. The Directors are not aware of any other information (other than the information contained in this Explanatory Statement) that would be reasonably required by shareholders to allow them to make a decision whether it is in the best interest of the Company to pass Resolution 5.

In accordance with section 224 of the Act the Company will disregard any vote cast on this Resolution 5 by any of the following persons (regardless of the capacity in which they vote):

- (a) Gregory Solomon, being the related party of the Company to whom this resolution would permit the financial benefit to be given; and
- (b) an associate of Gregory Solomon.

However, in accordance with section 224(2) of the Act, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy appointed in writing that specifies how the proxy is to vote on this resolution; and
- (b) it is not cast on behalf of the related party (Gregory Solomon) or any of the related party's associates.

### **B. Resolution 6**

- 1. The proposed financial benefit will be given to Douglas Solomon (who is a Director).
- 2. The nature of the financial benefit is the issue of 2,000,000 Options in the Company on the Terms and Conditions set out above.



3. Douglas Solomon (the person to whom the financial benefit will be given) does not wish to make a recommendation to shareholders about this Resolution on the basis that he has an interest in the Resolution's passage. None of the other directors of the Company wish to make a recommendation to shareholders about this Resolution on the basis that they each have an interest in the passage of a similar resolution
4. Douglas Solomon, as a Director and the person to whom the financial benefit will be payable, has an interest in this Resolution. None of the other Directors of the Company have an interest in the outcome of this Resolution 6 but each of them has an interest in the passage of a similar resolution (see resolutions 5, 7 and 8).
5. The Directors are not aware of any other information (other than the information contained in this Explanatory Statement) that would be reasonably required by shareholders to allow them to make a decision whether it is in the best interest of the Company to pass Resolution 6.

In accordance with section 224 of the Act the Company will disregard any vote cast on this Resolution 6 by any of the following persons (regardless of the capacity in which they vote):

- (a) Douglas Solomon, being the related party of the Company to whom this resolution would permit the financial benefit to be given; and
- (b) an associate of Douglas Solomon.

However, in accordance with section 224(2) of the Act, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy appointed in writing that specifies how the proxy is to vote on this resolution; and
- (b) it is not cast on behalf of the related party (Douglas Solomon) or any of the related party's associates.

#### **C. Resolution 7**

1. The proposed financial benefit will be given to Guy Le Page (who is a Director).
2. The nature of the financial benefit is the issue of 2,000,000 Options in the Company on the Terms and Conditions set out above.
3. Guy Le Page (the person to whom the financial benefit will be given) does not wish to make a recommendation to shareholders about this Resolution on the basis that he has an interest in the Resolution's passage. None of the other directors of the Company wish to make a recommendation to shareholders about this Resolution on the basis that they each have an interest in the passage of a similar resolution
4. Guy Le Page, as a Director and the person to whom the financial benefit will be payable, has an interest in this Resolution. None of the other Directors of the Company have an interest in the outcome of this Resolution 7 but each of them has an interest in the passage of a similar resolution (see resolutions 5, 6 and 8).
5. The Directors are not aware of any other information (other than the information contained in this Explanatory Statement) that would be reasonably required by shareholders to allow them to make a decision whether it is in the best interest of the Company to pass Resolution 7.

In accordance with section 224 of the Act the Company will disregard any vote cast on this Resolution 7 by any of the following persons (regardless of the capacity in which they vote):

- (a) Guy Le Page, being the related party of the Company to whom this resolution would permit the financial benefit to be given; and
- (b) an associate of Guy Le Page.

However, in accordance with section 224(2) of the Act, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy appointed in writing that specifies how the proxy is to vote on this resolution; and
- (b) it is not cast on behalf of the related party (Guy Le Page) or any of the related party's associates.

#### **C. Resolution 8**

1. The proposed financial benefit will be given to James Richardson (who is a Director).
2. The nature of the financial benefit is the issue of 2,000,000 Options in the Company on the Terms and Conditions set out above.
3. James Richardson (the person to whom the financial benefit will be given) does not wish to make a recommendation to shareholders about this Resolution on the basis that he has an interest in the Resolution's passage. None of the other directors of the Company wish to make a recommendation to shareholders about this Resolution on the basis that they each have an interest in the passage of a similar resolution
4. James Richardson, as a Director and the person to whom the financial benefit will be payable, has an interest in this Resolution. None of the other Directors of the Company have an interest in the outcome of this Resolution 8 but each of them has an interest in the passage of a similar resolution (see resolutions 5, 6 and 7).
5. The Directors are not aware of any other information (other than the information contained in this Explanatory Statement) that would be reasonably required by shareholders to allow them to make a decision whether it is in the best interest of the Company to pass Resolution 8.

In accordance with section 224 of the Act the Company will disregard any vote cast on this Resolution 8 by any of the following persons (regardless of the capacity in which they vote):

- (a) James Richardson, being the related party of the Company to whom this resolution would permit the financial benefit to be given; and
- (b) an associate of James Richardson.

However, in accordance with section 224(2) of the Act, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy appointed in writing that specifies how the proxy is to vote on this resolution; and
- (b) it is not cast on behalf of the related party (James Richardson) or any of the related party's associates.

### **The Listing Rules**

Listing Rule 10.11 provides that unless an entity has the approval of the holders of "ordinary securities", that entity must not issue or agree to issue "equity securities" to a "related party", or a person whose relationship with the entity or a related party of the entity is, in the opinion of the ASX, such that approval should be obtained.

The Listing Rules define equity security to include an option over an issued or unissued share in an entity. The Options will therefore be equity securities for the purposes of the Rules.

Under the Listing Rules, the term related party (in relation to a body corporate) has the same meaning as that set out in section 228 of the Act. Section 228(2) of the Act provides that the directors of a public company are related parties of that public company. Gregory Solomon, Douglas Solomon, Guy Le Page and James Richardson are Directors, and therefore related parties, of the Company.

The Company is therefore also seeking shareholder approval for the purposes of Listing Rule 10.11 to the issue of the Options to the Directors. If the approval of the shareholders of the Company is not obtained, the Options will not be issued to the Directors.

The following information is provided to shareholders of the Company pursuant to Listing Rule 10.13:

1. The Directors propose to issue 2,000,000 Options to each of Gregory Solomon, Douglas Solomon, Guy Le Page and James Richardson (who are Directors of the Company).
2. The maximum number of Options that will be issued is 8,000,000.
3. The Company will issue the Options not more than one month after the date of the Annual General Meeting.
4. The Company will disregard any votes on Resolution 5 by Gregory Solomon or any of his associates. However, the Company will not disregard a vote if:
  - 4.1 it is cast by Gregory Solomon or any of his associates as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
  - 4.2 it is cast by the person chairing the Annual General Meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form.
5. The Company will disregard any votes on Resolution 6 by Douglas Solomon or any of his associates. However, the Company will not disregard a vote if:
  - 5.1 it is cast by Douglas Solomon or any of his associates as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
  - 5.2 it is cast by the person chairing the Annual General Meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form.
6. The Company will disregard any votes on Resolution 7 by Guy Le Page or any of his associates. However, the Company will not disregard a vote if:
  - 6.1 it is cast by Guy Le Page or any of his associates as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
  - 6.2 it is cast by the person chairing the Annual General Meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form.
7. The Company will disregard any votes on Resolution 8 by James Richardson or any of his associates. However, the Company will not disregard a vote if:
  - 7.1 it is cast by James Richardson or any of his associates as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
  - 7.2 it is cast by the person chairing the Annual General Meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form.
8. The Options will be issued on the Terms and Conditions described above in this Explanatory Statement. The Options are being issued to the Directors in consideration of services which they have provided, and will subsequently provide, to the Company.
9. No funds will be raised by the Company by the issue of the Options to the Directors. Any funds which are raised from the exercise by the Directors of these Options will be applied to the Company's ongoing working capital requirements.

### **GLOSSARY OF TERMS**

In this Explanatory Statement and accompanying Notice of Meeting the following words and expressions have the following meanings:

**"Act"** means Corporations Act 2001 (Cth);

**"ASIC"** means Australian Securities and Investments Commission;

**"ASX"** means ASX Limited (ACN 008 624 691);

**"Board"** means the board of Directors of the Company;

**"Company" or "Conico"** means Conico Ltd (ACN 119 057 457);

**"Director"** means a director of the Company;

**“ESOP”** means the Company’s employee share option plan, as the same was amended by resolution of the Board made on 29 August 2017 a summary of the terms of which is set out Schedule 1.

**“ESOP Options”** means options issued under the Company’s ESOP, each to acquire one Share at an exercise price of \$0.0625 at any time on or before 28 August 2020;

**“Explanatory Statement”** means the information attached to the Notice of Meeting which provides information to shareholders about the Resolutions contained in the Notice of Meeting;

**“Listing Rules”** means the ASX Listing Rules and **“Listing Rule”** has a corresponding meaning;

**“Notice”** or **“Notice of Meeting”** means the notice of meeting which accompanies this Explanatory Statement;

**“Share”** means an ordinary fully paid share in the Company (ASX Code: CNJ);

**“Shareholders”** means the shareholders of the Company; and

unless the contrary intention appears, terms defined in the Notice of Meeting have the same meaning in this Explanatory Statement.

## SCHEDULE 1

### SUMMARY OF TERMS OF ESOP

1. The Board may offer free Options to full or part time employees or a director or officer of the Company or of associated bodies corporate of the Company who is determined by the Board to be an Eligible Employee for the purposes of the Plan or any other person who is declared by the Board to be an Eligible Employee for the purposes of the Plan. (**Eligible Employees**).
2. In accordance with Listing Rule 10.14, Options under the ESOP can only be issued to Directors, and/or associates of the Directors, with the approval of the holders of ordinary securities by a resolution passed at a general meeting.
3. There is no issue price for the Options. The exercise price for the Options will be:
  - 3.1 125% of the weighted average market price of Shares sold on the ASX on the 5 trading days immediately before the date the board approves the issue of the Options to the Eligible Employee under the ESOP (the Date of Issue); or
  - 3.2 any greater price determined by the Board at the date the Board approves the issue of the Options to the Eligible Employee under the ESOP (the **Date of Issue**).
4. Shares issued on exercise of Options will rank equally with other Shares of the Company.
5. Options may not be transferred without the approval of the Board. Quotation of Options on ASX will not be sought. However, the Company will apply to ASX for official quotation of the Shares issued on the exercise of the Options.
6. The Board may not offer Options under the ESOP if the grant of the Options would result in the total number of Shares in respect of which Options have been granted but not yet exercised, and which have been issued to participants on the exercise of Options granted, in accordance with the ESOP or any other employee incentive scheme in the preceding 5 years (in each case, disregarding any Shares issued or transferred as a result of an excluded offer or invitation within s.708 of the Act), exceeding 5% of the total number of issued Shares as at the date of the offer.
7. Options may only be issued or exercised within the limitations imposed by the Act and the Listing Rules.
8. Options may be issued which impose conditions that will result in the Options lapsing if those conditions are satisfied, impose dates (called vesting dates) which must be reached before an Option is capable of exercise, and may be issued with restrictions on the disposal of Shares acquired by an option holder as a result of the exercise of the Options.
9. Subject to the paragraphs below, Options must be exercised in the period determined by the Board at the Date of Issue (**Exercise Period**).
10. If an Eligible Employee's employment with the Company ceases due to his or her resignation, all Options (except those which have not vested) may be exercised within 30 days thereafter, after which period they will lapse.
11. If an Eligible Employee's employment with the Company ceases because of retirement at or after 60 years of age, permanent disablement, retrenchment, death or any other circumstances approved by the Board, all Options may be exercised within 30 days. If not exercised in that time, the Options lapse, unless the Board determines otherwise.
12. If an Eligible Employee's employment with the Company ceases due to his or her death, all Options may be exercised within 3 months thereafter, after which period they will lapse, unless the Board determines otherwise.
13. If an Eligible Employee leaves the employment of the Company or of a related body corporate of the Company for any reason other than those contemplated in paragraphs 10,11 or 12 above, the Options lapse, unless the Board determines otherwise.
14. If any Eligible Employee acts fraudulently, dishonestly or in breach of obligations to the Company or any subsidiary then, at the Board's discretion, Options issued to that person will lapse.
15. Options will automatically lapse at the expiration of the Exercise Period.
16. The holders of Options will only participate in new issues, including bonus issues, if they have exercised the Options at that time and provided such exercise is permitted by the terms of the Option.
17. If the Company makes a bonus issue of securities to ordinary shareholders, each unexercised Option will, on exercise, entitle its holder to receive additional Shares.
18. If the Company makes a pro rata rights issue of ordinary Shares for cash to its ordinary shareholders, then there is provision for adjustment of the exercise price of unexercised Options to reflect the diluting effect of the issue.
19. In the event of any reconstruction (including consolidation, subdivision, reduction, capital return, buy back or cancellation) of the issued capital of the Company, all rights of the Option holder will be changed to the extent necessary to comply with the Listing Rules applying to the reconstruction of capital, at the time of the reconstruction.
20. The Board may determine within 7 days of the exercise of an Option not to allot or issue Shares under the Option but to refund the tendered exercise price for the Option and either to pay to the Option holder an amount equal to the difference between the market price of the shares as at the date of exercise and the exercise price of the Option, or issue that number of Shares having a market value at the date of exercise of the Option equal to the difference between the market price of the shares as at the date of exercise and the exercise price for the Option.
21. Subject to the Listing Rules the Board may from time to time amend, vary or supplement the rules of the ESOP by resolution of the Board without the consent of any Eligible Employee or participant. Any amendment to the rules will apply to all Options granted under the rules which have not yet been exercised. No variation of the ESOP will be effective unless and until all applicable requirements of the Act and the Listing Rules in relation to that variation have been fully complied with by the Company.

## LODGE YOUR PROXY VOTE ONLINE



### ONLINE PROXY APPOINTMENT

[www.advancedshare.com.au/investor-login](http://www.advancedshare.com.au/investor-login)



### MOBILE DEVICE PROXY APPOINTMENT

Lodge your proxy by scanning the QR code below, and enter your registered postcode.

It is a fast, convenient and a secure way to lodge your vote.

## 2017 ANNUAL GENERAL MEETING PROXY FORM

I/We being shareholder(s) of Conico Ltd and entitled to attend and vote hereby:

### APPOINT A PROXY

The Chairman of  
the meeting

OR



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

STEP 1

If no individual(s) or body corporate(s) is named, the Chair of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the Annual General Meeting of the Company to be held at **Level 15, 197 St Georges Terrace, Perth, Western Australia on Friday, 24 November 2017 at 2.00pm (WST)** 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 Item 1 (except where I/we have indicated a different voting intention below) even though this Item is connected directly or indirectly with the remuneration of a member(s) of key management personnel, which includes the Chairman. The Chairman of the Meeting intends to vote all undirected proxies available to him in favour of each Item of Business.

### VOTING DIRECTIONS

#### Agenda Items

		For	Against	Abstain*			For	Against	Abstain*
1	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5	Issue of Options to Gregory Solomon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Re-election of Director – Gregory Solomon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6	Issue of Options to Douglas Solomon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Ratification of amendments to and approval of the Employee Share Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7	Issue of Options to Guy Le Page	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Ratification of issue of employee share options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8	Issue of Options to James Richardson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



\* 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.

STEP 2

### SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

STEP 3

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

Email Address

☐

Please tick here to agree to receive communications sent by the company via email. This may include meeting notifications, dividend remittance, and selected announcements.

## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

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

### CHANGE OF ADDRESS

Your address as it appears on Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes.

### APPOINTMENT OF A PROXY

If you wish to appoint the Chairman as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman, please write that person's name in the box in Step 1. A proxy need not be a shareholder of the Company. A proxy may be an individual or a body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman will be your proxy.

### DEFAULT TO THE CHAIR OF THE MEETINGS

If you leave Step 1 blank, or if your appointed proxy does not vote on a poll in accordance with your directions or does not attend the Meetings, then the proxy appointment will automatically default to the Chair of the Meetings, who is required to vote the proxies as directed.

### VOTING DIRECTIONS – PROXY APPOINTMENT

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

### PROXY VOTING BY KEY MANAGEMENT PERSONNEL

If you wish to appoint a Director (other than the Chairman) or other member of the Company's key management personnel, or their closely related parties, as your proxy, you must specify how they should vote on Item 1, by marking the appropriate box. If you do not, your proxy will not be able to exercise your vote for Item 1.

**PLEASE NOTE:** If you appoint the Chairman as your proxy (or if he is appointed by default) but do not direct him how to vote on an item (that is, you do not complete any of the boxes "For", "Against" or "Abstain" opposite that item), you will be expressly authorising the Chairman to vote as he sees fit on that item.

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning Advanced Share Registry Limited or you may copy this form and return them both together.

To appoint a second proxy you must:

- On each Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- Return both forms together.

### CORPORATE REPRESENTATIVES

If a representative of a nominated corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A Corporate Representative Form may be obtained from Advanced Share Registry.

### SIGNING INSTRUCTIONS ON THE PROXY FORM

#### Individual:

Where the holding is in one name, the security holder must sign.

#### Joint Holding:

Where the holding is in more than one name, all of the security holders should sign.

#### Power of Attorney:

If you have not already lodged the Power of Attorney with Advanced Share Registry, please attach the original or 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 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.

### LODGE YOUR PROXY VOTE

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 2.00pm (WST) on Wednesday, 22 November 2017, being not later than 48 hours before the commencement of the Meeting. Proxy Forms received after that time will not be valid for the scheduled meeting.



#### ONLINE PROXY VOTE

[www.advancedshare.com.au/investor-login](http://www.advancedshare.com.au/investor-login)



#### BY EMAIL

[admin@advancedshare.com.au](mailto:admin@advancedshare.com.au)



#### BY MAIL

Advanced Share Registry Limited  
110 Stirling Hwy, Nedlands WA 6009; or  
PO Box 1156, Nedlands WA 6909



#### BY FAX

+61 8 9262 3723



#### IN PERSON

Advanced Share Registry Limited  
110 Stirling Hwy, Nedlands WA 6009; or



#### ALL ENQUIRIES TO

Telephone: +61 8 9389 8033