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# MARGOSA GRAPHITE LIMITED

ACN 145 267 303

## NOTICE OF ANNUAL GENERAL MEETING

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**TIME:** 3:00pm (WST)  
**DATE:** 28 November 2018  
**PLACE:** 48 Angelo Street, South Perth WA 6151

***This Notice of Annual General Meeting is an important document and requires your immediate attention. Please read it carefully. If you are in doubt as to what you should do, please consult your professional adviser.***

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### TIME AND PLACE OF MEETING AND HOW TO VOTE

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#### VENUE

The Annual General Meeting of the Shareholders of Margosa Graphite Limited which this Notice of Annual General Meeting relates to will be held at 3:00pm (WST) on 28 November 2018 at 48 Angelo Street, South Perth WA 6151.

#### VOTING IN PERSON

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

#### VOTING BY PROXY

Each Shareholder is entitled to appoint a proxy and the proxy does not have to be a Shareholder. To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

#### ***Proxy vote if appointment specifies way to vote***

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

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

#### ***Transfer of non-chair proxy to chair in certain circumstances***

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

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

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

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## NOTICE OF ANNUAL GENERAL MEETING

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Notice is given that the Annual General Meeting of Shareholders of Margosa Graphite Limited will be held at 48 Angelo Street, South Perth WA 6151 at 3:00pm (WST) on 28 November 2018.

The Explanatory Statement provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company on 26 November 2018 at 3:00pm (WST).

Terms and abbreviations used in this Notice and Explanatory Statement are defined in the Glossary.

## AGENDA

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### ORDINARY BUSINESS

#### Financial Statements and Reports

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2018 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

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#### 1. RESOLUTION 1 –RE-ELECTION OF A DIRECTOR – MR PETER CUNNINGHAM

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

*“That, for the purpose of clause 12.11.1 of the Constitution, and for all other purposes, Mr Peter Cunningham, a Director, retires by rotation, and being eligible, is re-elected as a Director.”*

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#### 2. RESOLUTION 2 –RE-ELECTION OF A DIRECTOR – MR VARUNA MALLAWARACHCHI

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

*“That, for the purpose of clause 12.11.1 of the Constitution, and for all other purposes, Mr Varuna Mallawarachchi, a Director, retires by rotation, and being eligible, is re-elected as a Director.”*

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#### 3. RESOLUTION 3 –APPOINTMENT OF AUDITOR TO FILL A VACANCY

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

*“That, for the purposes of section 327B of the Corporations Act and for all other purposes, BDO Audit (WA) Pty Ltd, having been nominated by a Shareholder and having consented in writing to act in the capacity of auditor, be appointed as auditor of the Company with effect from the close of the Meeting on the terms and conditions in the Explanatory Statement.”*

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DATED: 22 OCTOBER 2018

BY ORDER OF THE BOARD

KELLY MOORE

COMPANY SECRETARY

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared for the information of the Shareholders of the Company in connection with the business to be conducted at the Annual General Meeting to be held at 48 Angelo Street, South Perth, WA 6151 at 3:00pm (WST) on 28 November 2018.

This purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

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### 1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial period ended 30 June 2018 together with the declaration of the directors, the directors' report, and the auditor's report.

The Company is not required to provide a hard copy of the Company's annual financial report to Shareholders unless a Shareholder has specifically elected to receive a printed copy.

Whilst the Company will not provide a hard copy of the Company's annual financial report unless specifically requested to do so, Shareholders may request a copy of the Company's annual financial report from the Company Secretary.

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### 2. RESOLUTION 1 – RE-ELECTION OF DIRECTOR – MR PETER CUNNINGHAM

Clause 12.11.1 of the Constitution requires that if the Company has three or more Directors, one third (or the number nearest one-third) of those Directors must retire at each annual general meeting, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

A Director who retires by rotation under clause 12.11 of the Constitution is eligible for re-election. Accordingly, Mr Peter Cunningham retires in accordance with the Constitution and, being eligible for re-election, offers himself for re-election at the Annual General Meeting.

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### 3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR VARUNA MALLAWARACHCHI

Clause 12.11.1 of the Constitution requires that if the Company has three or more Directors, one third (or the number nearest one-third) of those Directors must retire at each annual general meeting, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

A Director who retires by rotation under clause 12.11 of the Constitution is eligible for re-election. Accordingly, Mr Varuna Mallawarachchi retires in accordance with the Constitution and, being eligible for re-election, offers himself for re-election at the Annual General Meeting.

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### 4. RESOLUTION 3 – APPOINTMENT OF AUDITOR TO FILL A VACANCY

DM Advisory Services Pty Ltd ('DM Advisory') has resigned as the Company's auditor in accordance with Section 329(5) of the Corporations Act. DM Advisory has been the Company's auditor for approximately 4 years. The resignation resulted from the Company seeking a larger audit firm given recent growth and an expanded exploration programme. BDO Audit (WA) Pty Ltd ('BDO') is considered as the firm which would best suit the Company's needs in the future.

The Company has been served with a notice of nomination from one of a member of the Company nominating BDO as the new Company auditor. A copy of the notice served on the Company is attached to this notice of AGM as Schedule 1.

BDO is a registered company auditor, has had previous experience in conducting audits of public companies, and is a well-known and respected firm. BDO has consented to the appointment as auditor pursuant to Section 328A of the Corporations Act subject to this resolution being approved by shareholders at the meeting.

The Directors of the Company unanimously recommend that shareholders vote in favour of appointing BDO as the Company's auditors.

If the resolution is not approved, there will be a vacancy in respect of the Company's auditor, which the Directors will be obliged to fill within one month in accordance with Section 327C of the Corporations Act.

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### 5. ENQUIRIES

Shareholders are required to contact the Company Secretary on +61 (8) 6460 9243 if they have any queries in respect of the matters set out in these documents.

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## GLOSSARY

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**\$** means Australian dollars.

**Annual General Meeting** or **Meeting** means the meeting convened by the Notice.

**ASIC** means the Australian Securities and Investments Commission.

**Board** means the board of directors of the Company.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day and Boxing Day.

**Company** means Margosa Graphite Limited (ACN 145 267 303).

**Constitution** means the Company's constitution.

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

**Directors** mean the current directors of the Company.

**Explanatory Statement** means the explanatory statement to the Notice.

**Notice of Meeting** or **Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Statement.

**Proxy Form** means the proxy form accompanying the Notice.

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

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

**WST** means Western Standard Time as observed in Perth, Western Australia.

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**SCHEDULE 1 – NOTICE OF AUDITOR NOMINATION**

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22 October 2018

The Board of Directors  
Margosa Graphite Limited  
48 Angelo Street  
SOUTH PERTH WA 6151

Dear Sirs

**NOMINATION OF AUDITOR**

I, Peter Venn, a shareholder of Margosa Graphite Limited, hereby nominate, pursuant to section 328B of the Corporations Act (Cth) 2001, BDO Audit (WA) Pty Ltd of 38 Station Street, Subiaco WA 6008 for appointment as auditors of Margosa Graphite Limited at the company's next Annual General Meeting or any adjournment thereof.

Yours faithfully

Peter Venn

**MARGOSA GRAPHITE LIMITED ACN 145 267 303  
ANNUAL GENERAL MEETING - APPOINTMENT OF PROXY**

I/We \_\_\_\_\_  
of \_\_\_\_\_

being a Shareholder of Margosa Graphite Limited, entitled to attend and vote at the Annual General Meeting, hereby

Appoint \_\_\_\_\_  
Name of proxy

OR  the Chair as my proxy

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Annual General Meeting to be held at 3:00pm (WST), on 28 November 2018 at 48 Angelo Street, South Perth, WA 6151, and at any adjournment thereof.

**CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES**

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an announcement will be made immediately disclosing the reasons for the change.

Voting on Business of the Annual General Meeting		FOR	AGAINST	ABSTAIN
Resolution 1	Re-Election of a Director – Mr Peter Cunningham	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-Election of a Director – Mr Varuna Mallawarachchi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Appointment of Auditor to Fill a Vacancy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Please note:** If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is \_\_\_\_\_%

Signature of Shareholder(s): \_\_\_\_\_ Date: \_\_\_\_\_

Individual or Shareholder 1  
\_\_\_\_\_  
Sole Director/Company Secretary

Shareholder 2  
\_\_\_\_\_  
Director

Shareholder 3  
\_\_\_\_\_  
Director/Company Secretary

Contact Name: \_\_\_\_\_ Contact Ph (daytime): \_\_\_\_\_

**MARGOSA GRAPHITE LIMITED**  
**ACN 145 267 303**

**Instructions for Completing 'Appointment of Proxy' Form**

1. **(Appointing a Proxy):** A member entitled to attend and vote at an Annual General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a 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 member's voting rights. If a member 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 member of the Company.
2. **(Direction to Vote):** A member may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing Instructions):**
  - **(Individual):** Where the holding is in one name, the member must sign.
  - **(Joint Holding):** Where the holding is in more than one name, all of the members should sign.
  - **(Power of Attorney):** If you have not already provided the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
  - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual members from attending the Annual General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the Annual General Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
  - (a) deliver the proxy form by hand to the Company's place of business at 48 Angelo Street, South Perth 6151, Western Australia;
  - (b) mail the proxy form to the Company's place of business at 48 Angelo Street, South Perth 6151, Western Australia; or
  - (c) send the proxy form by email to the Company at [info@margosagraphite.com](mailto:info@margosagraphite.com)

so that it is received not later than 3.00pm (WST) on 26 November 2018.

**Proxy forms received later than this time will be invalid.**