

MARGOSA GRAPHITE LIMITED

ACN 145 267 303

NOTICE OF ANNUAL GENERAL MEETING

TIME: 11:30am (WST)

DATE: 29 November 2019

PLACE: 5/531 Hay Street, Subiaco WA 6008

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

VENUE

The Annual General Meeting of the Shareholders of Margosa Graphite Limited, to which this Notice of Annual General Meeting relates, will be held at 11:30am (WST) on 29 November 2019 at 5/531 Hay Street, Subiaco WA 6008.

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.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Margosa Graphite Limited will be held at 5/531 Hay Street, Subiaco WA 6008 at 11:30am (WST) on 29 November 2019.

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 27 November 2019 at 11:30am (WST).

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

AGENDA

ORDINARY BUSINESS

Financial Statements and Reports

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2019 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

1. RESOLUTION 1 –RE-ELECTION OF A DIRECTOR – MR JOHN SHACKLETON

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 John Shackleton, a Director, retires by rotation, and being eligible, is re-elected as a Director."

2. RESOLUTION 2 –RE-ELECTION OF A DIRECTOR – MR PETER VENN

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 Venn, a Director, retires by rotation, and being eligible, is re-elected as a Director."

DATED: 7 NOVEMBER 2019

BY ORDER OF THE BOARD

KELLY MOORE

COMPANY SECRETARY

EXPLANATORY STATEMENT

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 5/531 Hay Street Subiaco at 11:30am (WST) on 29 November 2019.

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.

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 2019 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.

2. RESOLUTION 1 – RE-ELECTION OF DIRECTOR – MR JOHN SHACKLETON

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 John Shackleton retires in accordance with the Constitution and, being eligible for re-election, offers himself for re-election at the Annual General Meeting.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR PETER VENN

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 Venn retires in accordance with the Constitution and, being eligible for re-election, offers himself for re-election at the Annual General Meeting.

4. 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.

GLOSSARY

\$ 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.

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 11:30am (WST), on 29 November 2019 at 5/531 Hay Street Subiaco, WA 6008, 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

Resolution 1 Re-Election of a Director – Mr John Shackleton
Resolution 2 Re-Election of a Director – Mr Peter Venn

FOR AGAINST ABSTAIN

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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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 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

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Director/Company Secretary

Contact Name: _____ **Contact Ph (daytime):** _____

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 Suite 12, 177 Rokeby Road, Subiaco Western Australia, 6008;
 - (b) mail the proxy form to the Company's place of business at Suite 12, 177 Rokeby Road, Subiaco, Western Australia, 6008; or
 - (c) send the proxy form by email to the Company at info@margosagraphite.comso that it is received not later than 11.30am (WST) on 27 November 2019.

Proxy forms received later than this time will be invalid.