



---

**RESOURCE GENERATION LIMITED****ACN 059 950 337****NOTICE OF ANNUAL GENERAL MEETING**

---

**TIME:** 10.00am (Brisbane time)

**DATE:** 27 November 2019

**PLACE:** Minter Ellison, Level 22, Waterfront Place, 1 Eagle Street, Brisbane, Qld  
4000

***This Notice of Meeting and Explanatory Statement should be read in its entirety.***

***If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.***

***Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on 0413 706 143.***

| <b>CONTENTS</b>  | <b>PAGE</b> |
|--|-------------|
| 1. Notice of Annual General Meeting (setting out the proposed resolutions) | 4           |
| 2. Explanatory Statement (explaining the proposed resolutions)             | 9           |
| 3. Proxy Form (attached separately)  |             |

---

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

---

### **VENUE**

---

The Annual General Meeting of the Shareholders of Resource Generation Limited to which this Notice of Meeting relates will be held at 10.00am (Brisbane time) on Wednesday 27 November 2019 at:

Minter Ellison, Level 22, Waterfront Place, 1 Eagle Street, Brisbane, Qld 4000

### **YOUR VOTE IS IMPORTANT**

---

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

### **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**

---

#### **Proxies**

Please note that:

- (a) a Shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company;
- (c) a Shareholder may appoint a body corporate or an individual as its proxy;
- (d) a body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder's proxy; and
- (e) Shareholders 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, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms. If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent

to the Company or its share registry in advance of the Annual General Meeting or handed in at the Annual General Meeting when registering as a corporate representative.

To vote by proxy, please complete and sign the proxy form enclosed and either:

- (a) deliver the proxy form:
  - (i) by hand to the Company's share registry, Boardroom Pty Limited at Level 12, 225 George Street, Sydney NSW 2000; or
  - (ii) by post to Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001;
- (b) fax the proxy form to Boardroom Pty Limited on facsimile number (61) 2 9290 9655; or
- (c) vote online at [www.votingonline.com.au/resgenagm2019](http://www.votingonline.com.au/resgenagm2019) and follow the prompts.

so that it is received not later than 10.00 am (Brisbane time) on Monday 25 November 2019. Proxy forms received later than this time will be invalid.

**Your proxy form is enclosed as a separate document.**

---

## NOTICE OF ANNUAL GENERAL MEETING

---

Notice is given that the Annual General Meeting of Shareholders of Resource Generation Limited will be held at 10.00 am (Brisbane time) on Wednesday 27 November 2019 at Minter Ellison, Level 22, Waterfront Place, 1 Eagle Street, Brisbane, Qld 4000.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting and the proposed items of business set out below should be read in conjunction with the additional information contained in the Explanatory Statement. 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 that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at 6.00 pm (Brisbane time) on Monday 25 November 2019.

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

### AGENDA

#### ORDINARY BUSINESS

---

#### 1. DIRECTORS' REPORT AND FINANCIAL STATEMENTS

To receive the Financial Statements of the Company for the year ended 30 June 2019, together with the Directors' Report and the Auditor's Report as set out in the Annual Report for 2019.

---

#### 2. RESOLUTION 1 – RE-ELECTION OF MR COLIN GILLIGAN AS A DIRECTOR

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

*"That, Mr Colin Gilligan, being a Director, retires by rotation in accordance with clause 11.1 of the Constitution and, being eligible, is hereby re-elected as a Director."*

#### Voting Exclusion Statement – Resolution 1

In accordance with an undertaking to the Company, the Company will disregard any votes cast on Resolution 1 by:

- Resgen Scrip Lending Pty Limited.

---

#### 3. RESOLUTION 2 – RE-ELECTION OF ROBERT CROLL AS A DIRECTOR

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

*"That, Mr Robert Croll being a Director, retires by rotation in accordance with clause 11.1 of the Constitution and, being eligible, is hereby re-elected as a Director."*

**Voting Exclusion Statement – Resolution 2**

In accordance with an undertaking to the Company, the Company will disregard any votes cast on Resolution 2 by:

- Resgen Scrip Lending Pty Limited.

---

**4. RESOLUTION 3 – RE-ELECTION OF MR MICHAEL GRAY AS A DIRECTOR**

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

*"That, Mr Michael Gray being a Director, retires in accordance with clause 11.4 of the Constitution and, being eligible, is hereby re-elected as a Director."*

**Voting Exclusion Statement –Resolution 3**

In accordance with an undertaking to the Company, the Company will disregard any votes cast on resolution 3 by:

- Resgen Scrip Lending Pty Limited.

---

**5. RESOLUTION 4 – RE-ELECTION OF MR GREGORY HUNTER AS A DIRECTOR**

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

*"That, Mr Gregory Hunter being a Director, retires in accordance with clause 11.4 of the Constitution and, being eligible, is hereby re-elected as a Director."*

**Voting Exclusion Statement –Resolution 4**

In accordance with an undertaking to the Company, the Company will disregard any votes cast on resolution 4 by:

- Resgen Scrip Lending Pty Limited.

---

**6. RESOLUTION 5 – ADOPTION OF REMUNERATION REPORT (NON-BINDING)**

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

*"That, for the purposes of Section 250R(2) of the Corporations Act and for all*

*other purposes, the Company approves and adopts the Remuneration Report contained in the Annual Report of the Company for the financial year ended 30 June 2019."*

**Short Explanation:**

The Corporations Act provides that a resolution approving the adoption of the Remuneration Report must be put to vote at a listed company's annual general meeting. The vote on this Resolution 5 is advisory only and does not bind the Directors or the Company.

If 25% or more of the votes cast on this Resolution 5 are against the Resolution then the conditional spill resolution set out as Resolution 6 will be put to the meeting for consideration and voting. Please also refer to the additional information regarding Resolution 5 and Resolution 6 in the Explanatory Statement.

**Voting Exclusion Statement – Resolution 5**

In accordance with an undertaking to the Company, the Company will disregard any votes cast on Resolution 5 by:

- Resgen Scrip Lending Pty Limited.

The Company will also disregard any votes cast on Resolution 5 by or on behalf of:

- a director or a member of the key management personnel as disclosed in the Remuneration Report contained in the Annual Report of the Company for the financial year ended 30 June 2019; and
- any closely related party (such as close family members and any controlled companies) of those persons.

However, the above persons may cast a vote on Resolution 5 as a proxy if the vote is not cast on behalf of a person described above and either:

- the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
- the voter is the chair of the meeting and the appointment of the chair as proxy:
  - does not specify the way the proxy is to vote on the resolution; and
  - 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 Company or, if the Company is part of a consolidated entity, for the entity.

---

**7. RESOLUTION 6 – SPILL RESOLUTION (CONDITIONAL ITEM)**

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

*"That, subject to and conditional on at least 25% of the votes validly cast on Resolution 5 (Adoption of Remuneration Report) being cast against that Resolution then, as required by the Corporations Act:*

- (a) *an extraordinary general meeting of the Company (**Spill Meeting**) be held within 90 days of the passing of this resolution;*

- (b) *all of the Directors of the Company in office at the time when the Board resolution to make the Directors' Report for the financial year ended 30 June 2019 was passed (other than the Interim Chief Executive Officer and Manager Director), and who remain in office at the time of the Spill Meeting, cease to hold office immediately before the end of the Spill Meeting; and*
- (c) *resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote at the Spill Meeting."*

**Short Explanation:**

This Resolution 6 will only be put to the Annual General Meeting if at least 25% of the votes validly cast Resolution 5 (Adoption of Remuneration Report) are against that resolution. If you do not want a Spill Meeting to take place, you should vote 'against' this Resolution 6. If you want a Spill Meeting to take place, you should vote 'for' this Resolution 6. Please also refer to the additional information regarding Resolution 5 and Resolution 6 in the Explanatory Statement.

**Voting Exclusion Statement – Resolution 6**

In accordance with an undertaking to the Company, the Company will disregard any votes cast on Resolution 6 by:

- Resgen Scrip Lending Pty Limited.

The Company will also disregard any votes cast on Resolution 6 by or on behalf of:

- a director or a member of the key management personnel as disclosed in the Remuneration Report contained in the Annual Report of the Company for the financial year ended 30 June 2019; and
- any closely related party (such as close family members and any controlled companies) of those persons.

However, the above persons may cast a vote on Resolution 6 as a proxy if the vote is not cast on behalf of a person described above and either:

- the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
- the voter is the chair of the meeting and the appointment of the chair as proxy:
  - does not specify the way the proxy is to vote on the resolution; and
  - 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 Company or, if the Company is part of a consolidated entity, for the entity.

---

**8. CHAIRMAN'S VOTING INTENTIONS**

If the Chairman of the Annual General Meeting is appointed as a proxy or may be appointed by default, and the Shareholder does not direct the proxy how to

vote in respect of any resolution, the Chairman intends to vote those undirected proxies (where he has been appropriately authorised to do so, having regard to the voting restrictions set out in this Notice of Meeting) in favour of all resolutions other than Resolution 6. In particular, the Chairman intends to vote undirected proxies (where the Chairman has been appropriately authorised) in favour of the Resolution 5, which is the resolution to approve and adopt the Company's Remuneration Report, but intends to vote undirected proxies (where the Chairman has been appropriately authorised) against Resolution 6 (if it is put to the Annual General Meeting), which is a resolution to spill the Board.

---

**9. EXPLANATORY STATEMENT**

The accompanying Explanatory Statement forms part of this Notice of Meeting and should be read in conjunction with it.

---

**10. VOTING ENTITLEMENTS**

In accordance with Regulations 7.11.37 and 7.11.38 of the Corporations Regulations, the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person as set out in the register of Shareholders as at 6pm (Brisbane time) on Monday, 25 November 2019. Accordingly, transactions registered after that time will be disregarded in determining a Shareholder's entitlement to attend and vote at the Annual General Meeting.

---

**11. CORPORATE REPRESENTATIVE**

A corporation that is a Shareholder or a proxy may elect to appoint a person to act as its corporate representative at the meeting, in which case the corporate Shareholder or proxy (as applicable) must provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as the Shareholder's or proxy's (as applicable) corporate representative. The authority must be sent to the Company and/or the Company's Share Registry (detailed above) in advance of the meeting or handed in at the meeting when registering as a corporate representative.

**DATED: This 14th day of October 2019**  
**BY ORDER OF THE BOARD**

**MIKE MEINTJES**  
**COMPANY SECRETARY**





# **EXPLANATORY STATEMENT TO SHAREHOLDERS**

## **RESOURCE GENERATION LIMITED (ACN 059 950 337)**

### **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 10.00 am (Brisbane time) on Wednesday 27 November 2019 at Minter Ellison, Level 22, Waterfront Place, 1 Eagle Street, Brisbane, Qld 4000

The 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. | <b>DIRECTORS' REPORT AND FINANCIAL STATEMENTS</b> .....   | 10 |
| 2. | <b>RESOLUTIONS 1, 2, 3 AND 4 – RE-ELECTION OF DIRECTORS – MR COLIN GILLIGAN, MR ROBERT CROLL, MR MICHAEL GRAY AND MR GREGORY HUNTER</b> ..... | 10 |
| 3. | <b>RESOLUTION 5 – REMUNERATION REPORT (NON-BINDING RESOLUTION)</b> .....  | 13 |
| 4. | <b>RESOLUTION 6 – SPILL RESOLUTION (CONDITIONAL ITEM)</b> .....   | 14 |
| .  | <b>GLOSSARY</b> .....   | 15 |

## 1. DIRECTORS' REPORT AND FINANCIAL STATEMENTS

As required by section 317 of the Corporations Act, the Financial Statements, Directors' Report and Auditor's Report of the Company for the year ended 30 June 2019 will be laid before the meeting. No resolution is required for this item of business.

A copy of the Company's Annual Report which includes these documents is available at [www.resgen.com.au](http://www.resgen.com.au).

In accordance with the Corporations Act, during this item of business a reasonable opportunity will be given to Shareholders as a whole to ask questions about, or make comments on, the management of the Company.

The Corporations Act does not require Shareholders to vote on the financial statements contained in the Company's Annual Report or any other aspect of that document. However, Shareholders attending the AGM will be given a reasonable opportunity to ask questions about, or make comments on, the Company's Annual Report and the financial statements contained within it. The Chairman will also take Shareholders' questions and comments about the management of the Company at the meeting.

Similarly, a reasonable opportunity will be given to Shareholders as a whole to ask the Company's auditor questions relevant to the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the audit for the year ended 30 June 2019.

## 2. RESOLUTIONS 1, 2, 3 AND 4 – RE-ELECTION OF DIRECTORS – MR COLIN GILLIGAN, MR ROBERT CROLL, MR MICHAEL GRAY AND MR GREGORY HUNTER

### ***Retirement by rotation***

Clause 11.1.3 of the Constitution requires that at each annual general meeting of the Company, one third of the Directors for the time being or, if their number is not a multiple of 3, then the number nearest one third (rounded upwards in case of doubt), and any other Director who has held office for three years or more (except a Managing Director) shall retire from office. Clause 11.1.6 of the Constitution provides that no Director (except a Managing Director) shall hold office for 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 11.1 of the Constitution is eligible for re-election.

In determining the number and identity of the Directors to retire by rotation, the Managing Director and any Director seeking election after appointment by the Board to fill a casual vacancy are not taken into account. It has been determined that the Directors who are to retire from office in accordance with clause 11.1 of the Constitution are Mr Colin Gilligan and Mr Robert Croll.

Each of Mr Gilligan and Mr Croll retire by rotation at this meeting and, being eligible, seek re-election as Directors of the Company.

### **Mr Colin Gilligan**

Mr Gilligan was first elected as a Director by Shareholders on 26 November 2015 at a general meeting requisitioned under S249D of the Corporations Act and was re-appointed to the Board at the 2016 AGM.

Mr Gilligan holds a Bachelor of Science - Engineering (Hons)

Mr Gilligan is a mining engineer with significant experience in contract mining and project construction. Mr Gilligan has over 30 years management experience including as COO of Mitsui Coal and Coalspur Mines Limited. He is currently an independent non-executive director of Geopacific Resources Limited (ASX:GPR)

Mr Gilligan is regarded as an independent non-executive director.

Mr Gilligan is the Chair of the Risk and Project Oversight Committees and a member of the Nomination and Audit Committees and has attended in excess of 90% of Board and Sub-Committee meetings since joining the Board.

Mr Gilligan has made an important contribution to the mine planning optimisation review conducted post the change of the Board in November 2015 and in a number of key contract negotiations.

Mr Gilligan does not hold a direct interest in the ordinary shares of Resource Generation Limited.

#### *Board recommendation*

All the Directors, other than Mr Gilligan, recommend that Shareholders **vote in favour** of Resolution 1.

### **Mr Robert Croll**

Mr Croll was first elected as a Director by Shareholders on 26 November 2015 at a general meeting requisitioned under S249D of the Corporations Act and was re-appointed to the Board at the 2017 AGM.

Mr Croll has a Bachelor of Science - Mining Engineering and holds an MBA.

Mr Croll has 42 years' experience in the mining industry. After serving in senior management positions with De Beers Consolidated Mines Limited and Anglo-American Corporation of SA Limited, he played a major role in managing the due diligence process for the acquisition of AngloGold Limited. In recent time Mr Croll worked as a principal consultant with the MSA Group and now acts as an independent consultant.

Mr Croll has made an important contribution to the preparations for securing project funding through his involvement in the Risk Committee including advising on the development of a compliance register. His wealth of knowledge and experience associated with Mining Regulations in South Africa and the Mining Charter requirements has been of assistance to management during this period. Mr Croll has also played a role as the quality assurance advisor to management on contractual agreements.

Mr Croll is regarded as an independent board member and has been designated as the Lead Independent Director to provide leadership to Independent Directors and advice to the Board on matters where there may be an actual or perceived conflict of interest involving the Chairman

Mr Croll is the Chair of the Nomination Committee and a member of the Risk Committee. He has attended in excess of 90% of Board meetings and relevant Sub-Committee Meetings since his appointment.

*Board recommendation*

All the Directors, other than Mr Croll, recommend that Shareholders **vote in favour** of Resolution 2.

**Re-appointment of Directors filling a casual vacancy**

In accordance with Listing Rule 14.4 and clause 11.4 of the Constitution, Resolutions 3 and 4 seek the re-election of Mr Gray and Mr Hunter who retire after being appointed during the year to fill casual vacancies.

The Company's Constitution requires that where a director is appointed as an addition to the Board during the year, that director must retire at the next AGM and is eligible for re-election.

Pursuant to the Constitution, Mr Gray, who was appointed as a non-executive director to fill a casual vacancy on 30 November 2018 and Mr Hunter who was appointed as a non-executive director to fill a casual vacancy on 28 May 2019, will retire and being eligible offer themselves for re-election.

**Mr Michael Gray**

Mr Gray has a Bachelor of Engineering (Civil) and an MBA from Deakin University.

Mr Gray has more than 25 years' experience in planning, approval, financing and development of resource and infrastructure projects. In the last 15 years his focus has been principally on greenfield coal project developments. He is currently employed as Project Director on the Bluff Coal Project, Australia's newest operating coal mine.

Mr Gray has provided valuable commercial insights to Board discussions since his appointment and is expected to make an important contribution to the finalisation of financing documents once a funding proposal can be agreed and will also bring valuable experience during the project development phase of the Boikarabelo Mine.

Mr Gray is regarded as an independent non-executive director.

Mr Gray is the Chair of the Remuneration Committee and a member of the Audit Committee. He has attended all Board meetings and relevant Sub-Committee Meetings since his appointment.

*Board recommendation*

All the Directors, other than Mr Gray, recommend that Shareholders **vote in favour** of Resolution 3.

**Mr Gregory Hunter**

Mr Hunter has a Bachelor of Science - Engineering (Hons)

Mr Hunter is a Mining Engineer with over 30 years' experience in the resources industry and has worked in various senior positions in the mining industry across the African continent. He has extensive experience in the resource finance sector, analysis and commodity sales and is currently employed in a senior position with Noble Group.

Whilst Mr Hunter has only recently joined the Board, he regularly attended board meetings as alternate director for Manish Dahiya. Over the last two years the Company has also worked closely with Mr Hunter as the Company's third representative on the board of its partly owned subsidiary, Ledjadja Coal Pty Ltd. Mr Hunter is expected to make a significant contribution to the Company's coal marketing and logistics strategy once project funding is secured.

Mr Hunter is not regarded as an independent board member due to his relationship with Noble.

Mr Hunter is a member of the Nomination and Project Oversight Committees.

### **Board recommendation**

All the Directors, other than Mr Hunter, recommend that Shareholders **vote in favour** of Resolution 4.

---

## **3. RESOLUTION 5 – REMUNERATION REPORT (NON-BINDING RESOLUTION)**

### *Overview*

The Company's Remuneration Report for the year ended 30 June 2019 (which forms part of the directors' report) (**2019 Remuneration Report**) is contained in the Annual Report of the Company for the year ended 30 June 2019, which is available to view online at the Company's website – [www.resgen.com.au](http://www.resgen.com.au) and was despatched to those Shareholders who did not elect to receive the Company's reports electronically.

The 2019 Remuneration Report describes the underlying policies and structure of the remuneration arrangements of the Company and sets out the remuneration arrangements in place for Directors and senior executives for the year ended 30 June 2019. Following in excess of 25% of the votes being cast against the resolution to adopt the Company's Remuneration Report for the financial year ended 30 June 2018 at the 2018 Annual General Meeting of the Company, the Board has reviewed the Company's remuneration arrangements and considers that appropriate steps have been taken in response to that vote. A summary of those steps and the Board's views on the remuneration framework for the Company are set out in the 2019 Remuneration Report as well as being briefly outlined below.

Among other things, the Company has continued to engage Shareholders on remuneration matters and to consider the clarity of the policy and disclosures made by the Company in accordance with section 300A of the Corporations Act and contained in the 2019 Remuneration Report, including:

- (a) Board policy for determining, or in relation to, the nature and amount (or value, as appropriate) of remuneration of directors and senior executives of the Company;
- (b) discussion of the relationship between such policy and the Company's performance;
- (c) consultation with a remuneration consultant to assist with refining the structure and KPIs for the Key Management personnel; and
- (d) has not increased Non-Executive remuneration levels since the appointment of the current Board in November 2015 and Senior Management remuneration levels have been frozen from 1 July 2016 (with one exception) pending achievement of financial close for project funding.

### *Requirement for Remuneration Report to be put to a vote*

Section 249L(2) of the Corporations Act requires a company to inform shareholders that a resolution on the remuneration report for the company for the last financial year (**Remuneration Report**) will be put at the Annual General Meeting. Section 250R(2) of the Corporations Act requires a resolution that the Remuneration Report be adopted must be put to the vote. Resolution 5 seeks this approval. In accordance with section 250R(3) of the Corporations Act, Shareholders should note that Resolution 5 is an "advisory only" resolution which does not bind the Directors of the Company. Following consideration of the 2019 Remuneration Report at the

Annual General Meeting, the Chairman, in accordance with section 250SA of the Corporations Act, must give Shareholders a reasonable opportunity to ask questions about, or make comments on, the 2019 Remuneration Report before Resolution 5 is put to a vote.

Under the Corporations Act, if at least 25% of the votes validly cast on a resolution to adopt a Remuneration Report are against the adoption of the Remuneration Report for two consecutive annual general meetings, shareholders will be required to vote at the second annual general meeting on a 'spill resolution' to determine whether the Directors will need to stand for re-election at another general meeting of the Company within 90 days. This is known as the 'two strikes' rule.

#### *Additional information*

At the 2018 Annual General Meeting, the Company's Remuneration Report for the year ended 30 June 2018 was carried but more than 25% of the votes cast on that resolution were voted against the resolution, constituting a 'first strike'. If at least 25% of the votes cast on Resolution 5 are against the adoption of the Company's Remuneration Report for the year ended 30 June 2019 then this would constitute a 'second strike' for the purposes of the Corporations Act and section 250V(1) of the Corporations Act would apply. In those circumstances, the Company would be required to put a spill resolution (as set out in Resolution 6) to a vote of Shareholders at this Annual General Meeting.

For further details regarding the effect of Resolution 6, please see the notes on resolution in this Explanatory Statement.

#### **Board recommendation**

The Directors unanimously recommend that Shareholders vote **in favour** of Resolution 5.

---

#### **4. RESOLUTION 6 – SPILL RESOLUTION (CONDITIONAL ITEM)**

Resolution 6 is a 'conditional' resolution. In accordance with the Corporations Act, it will only be put to the Annual General Meeting if the Company receives a 'second strike' against its Remuneration Report because at least 25% of the votes validly cast on Resolution 5 (Adoption of Remuneration Report) are cast against that resolution. If less than 25% of the votes validly cast on Resolution are against the resolution, this Resolution 7 will not be put to the Annual General Meeting.

If this Resolution 6 is put to the vote and passed at the Annual General Meeting, it will have the effect outlined below:

- The Company would be required to hold another meeting of Shareholders (**Spill Meeting**) within 90 days after the spill resolution is passed, to consider the composition of the Board.
- If a Spill Meeting is required, details of the meeting would be notified to Shareholders in due course.
- If a Spill Meeting is held, the following non-executive Directors would automatically cease to hold office at the end of the Spill Meeting unless they are willing to stand for re-election, and are re-elected, at that meeting:
  - Lulamile Xate;
  - Dr Konji Sebati;
  - Rob Croll;\*
  - Colin Gilligan;\*
  - Gregory Hunter;\* and
  - Michael Gray.\*

\*This assumes that these Directors are elected at the 2019 Annual General Meeting under item 2.

The Directors listed above are those who held office on 30 September 2019 when the Directors' Report (including the 2019 Remuneration Report) for the year ended 30 June 2019 was approved. Each of the listed non-executive Directors would be eligible to seek re-election at any Spill Meeting. However, there is no assurance that any or all of them would do so.

In accordance with the Corporations Act, ASX Listing Rules and the Company's constitution, the Interim Chief Executive Officer and Managing Director, Leapeetswe Molotsane, would not be required to stand for election as a Director and would continue to hold office at any Spill Meeting.

If the Directors seeking re-election at the Annual General Meeting are re-elected then they would still need to be re-elected at any Spill Meeting to remain in office after that time. However, if any additional Directors were to be appointed before the Spill Meeting then they would not need to stand for election or re-election at the Spill Meeting to remain in office.

- Resolutions to appoint individuals to the offices that would be vacated immediately before the end of the Spill Meeting would be put to the vote at that meeting. Eligibility for election as a Director at any Spill Meeting would be determined in accordance with the Company's Constitution.

For this Resolution 6 to be passed at the Annual General Meeting, more than 50% of the votes validly cast on the resolution must be in favour of it.

In deciding how to vote on this Resolution 6, the Board suggests that Shareholders take the following factors into account:

- The status of funding arrangements for the Boikarabelo Project and the likely disruption and delays that would be caused to finalisation;
- substantial additional costs would be incurred if the Company is required to call and hold a Spill Meeting; and
- holding a Spill Meeting would create significant further disruption and uncertainty for the Company and, having regard to the present position and prospects of the Company, the Board considers that further uncertainty of this kind would not be in the best interests of the Company or its Shareholders.

#### **Board recommendation**

The Directors recommend that Shareholders **vote against** this Resolution 6 if it is put to the Annual General Meeting. The Chairman intends to vote all undirected proxies (where permissible) against this Resolution 6 if it is put to the Annual General Meeting.

---

## **5. GLOSSARY**

For the purposes of the Notice of Meeting and Explanatory Statement:

**AGM** or **Annual General Meeting** means the Annual General Meeting of the Company to be held on Wednesday 27 November 2019;

**ASX** means the ASX Limited;

**ASX Listing Rules** means the Listing Rules of ASX;

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

**Closely Related Party** (as defined in the Corporations Act) of a member of the Key Management Personnel means:

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

**Company** or **Resource Generation Limited** means Resource Generation Limited ACN 059 950 337;

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

**Corporations Regulations** means the *Corporations Regulations 2001* (Cth);

**Directors** means the directors of the Company from time to time;

**Explanatory Statement** means the explanatory memorandum accompanying the Notice of Meeting;

**Key Management Personnel or KMP** has the definition given in the accounting standards as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any director (whether executive or otherwise) of that entity;

**Listing Rules** or **ASX Listing Rules** means the Official Listing Rules of the ASX as amended from time to time;

**Notice of Meeting** or **Notice** means the notice of meeting which accompanies this Explanatory Memorandum;

**Ordinary Resolution** means a resolution passed by more than 50% of the votes at a general meeting of shareholders;

**Resolutions** means the resolutions set out in the Notice of Meeting;

**Shares** means fully paid ordinary shares in the Company from time to time;

**Shareholders** means the holders of Shares in the Company; and

**Special Resolution** means a resolution:

- (g) of which notice has been given as set out in paragraph 249L(1)(c) of the Corporations Act; and
- (h) that has been passed by at least 75% of the votes cast by members entitled to vote on the resolution.





**RESOURCE GENERATION LIMITED**

(ISIN: AU000000RES1)

SA company registration number: ACN 059 950 337

(JSE share code: RSG)

("Resource Generation Limited" or "the Company")



**FORM OF PROXY – FOR THE ANNUAL GENERAL MEETING TO BE HELD ON Wednesday, 27 November 2019 at 10:00am**

**FOR COMPLETION BY CERTIFICATED SHAREHOLDERS AND DEMATERIALISED SHAREHOLDERS WHO HAVE SELECTED "OWN NAME" REGISTRATION ON THE SOUTH AFRICAN REGISTER ONLY**

For use by Resource Generation Limited shareholders at the Annual General Meeting to be held at 10.00am (Brisbane time) on Wednesday, 27 November 2019 at:

Minter Ellison, Level 22, Waterfront Place, 1 Eagle Street, Brisbane, Qld 4000 and at any adjournment or postponement thereof

If you have dematerialised shares with a Central Securities Depository Participant ("CSDP") or broker and have not selected "own-name" registration, you must arrange with your CSDP or broker to provide you with the necessary letter of representation to attend the Annual General Meeting of shareholders or you must instruct them as to how you wish to vote in this regard. This must be done in terms of the agreement entered into between you and the CSDP or broker.

***The attached Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.***

I/We (Names in full – please print)

\_\_\_\_\_

of (address – please print):

being the holder (s) of  ordinary shares in Resource Generation Limited, hereby appoint:

1. \_\_\_\_\_ of \_\_\_\_\_ or failing him/her,

2. \_\_\_\_\_ of \_\_\_\_\_ or failing him/her,

## PROXY FORM

### STEP 1 APPOINT A PROXY

I/We being a member/s of **Resource Generation Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting (mark box)**

**OR** if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at **10.00am (Brisbane time) on Wednesday, 27 November 2019 at Minter Ellison, Level 22, Waterfront Place, 1 Eagle Street, Brisbane, Qld 4000** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

**Chairman authorised to exercise undirected proxies on remuneration related matters:** If I/we have appointed the Chairman of the Meeting as my/our proxy or the Chairman of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolutions 5 and 6, I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy in respect of these resolutions even though Resolutions 5 and 6 are connected with the remuneration of a member of key management personnel for Resource Generation Limited.

The Chairman of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolutions 5 and 6). If you wish to appoint the Chairman of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

### STEP 2 VOTING DIRECTIONS

\* 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 vote will not be counted in calculating the required majority if a poll is called.

|              |  | For                      | Against                  | Abstain*                 |
|--------------|--|--------------------------|--------------------------|--------------------------|
| Resolution 1 | Re-election of Mr Colin Gilligan as a Director | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 2 | Re-election of Mr Robert Croll as a Director   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 3 | Re-election of Mr Michael Gray as a Director   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 4 | Re-election of Mr Gregory Hunter as a Director | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 5 | Adoption of Remuneration Report (Non-Binding)  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 6 | Spill Resolution (conditional item)            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

**STEP 3 SIGNATURE OF SHAREHOLDERS**

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Securityholder 2

Securityholder 3




Sole Director and Sole Company Secretary

Director

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone..... Date / / 2019

Email.....

**Notes to proxy**

- (1) Each shareholder has the right to appoint some other person or company of their choice, who need not be a holder, to attend and act on their behalf at the Annual General Meeting or any adjournment or postponement thereof. If you wish to appoint a person or company other than the person whose name are printed herein, please insert the name of your chosen proxy holder in the space provided (see reverse).
- (2) If the securities are registered in the name of more than one owner (for example, joint ownership, trustees, executors, etc), then all those shareholder registered should sign this proxy. If you are voting on behalf of a corporation or another individual you must sign this proxy with signing capacity stated and you may be required to provide documentation evidencing your power to sign this proxy.
- (3) This proxy should be signed in the exact manner as the name(s) appear (s) on the proxy.
- (4) If this proxy is not dated, it will be deemed to bear the date on which it is mailed by the Company to the shareholder.
- (5) The securities represented by this proxy will be voted as directed by the shareholder, however, if such a direction is not made in respect of any matter, this proxy will be voted by the Chairman.
- (6) Forms of proxy must be lodged with or posted to the South African transfer secretaries, Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (PO Box 61051, Marshalltown, 2107) or [proxy@computershare.co.za](mailto:proxy@computershare.co.za) **to be received by not later than 10:00am South African time on Thursday, 21 November 2019.**
- (7) The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the Annual General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof.
- (8) The securities represented by this proxy will be voted in favour or withheld from voting or voted against each of the matters described herein, as applicable, in accordance with the instructions of the shareholder, on any ballot that may be called for and if the shareholder has specified a choice with respect to any matter to be acted on, the securities will be voted accordingly.
- (9) This proxy confers discretionary authority in respect of amendments or variations to matters identified in the notice of Annual General Meeting or other matters that may properly come before the Annual General Meeting or any adjournment or postponement thereof.
- (10) Any alteration or correction made to this form of proxy must be initialled by the signatory (ies).
- (11) A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries of the company.
- (12) The chairman of the general meeting may accept any form of proxy which is completed other than in accordance with these notes if the chairman of the general meeting is satisfied as to the manner in which the shareholder wishes to vote.
- (13) The date must be filled in on this form of proxy when it is signed.
- (14) This proxy should be read in conjunction with the accompanying documentation provided by the Company.

**Computershare Investor Services Proprietary Limited**

**Reg. No. 2004/003647/07**

**Proxy Dept. PO Box 61051, Marshalltown 2107, South Africa**

**Fax: +27 11 688-5238**