

# GRANGE RESOURCES LIMITED

ACN 009 132 405

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## NOTICE OF ANNUAL GENERAL MEETING

and

## EXPLANATORY STATEMENT

and

## PROXY FORM

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**Date of Meeting:** Wednesday 13 May 2015

**Time of Meeting:** 10.00 am (AEST)

**Place of Meeting:** Bayviews Function Centre

Level 1,

2 North Terrace,

Burnie, Tasmania 7320

*This Notice of Annual General Meeting and accompanying Explanatory Memorandum and Proxy Form should be read in their entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting. Should you wish to discuss any matters referred to in this document, please contact the Company Secretary by telephone on +61 409 374 893.*

# GRANGE RESOURCES LIMITED

ACN 009 132 405

## NOTICE OF ANNUAL GENERAL MEETING

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Notice is hereby given that the Annual General Meeting of Grange Resources Limited (**Grange** or **Company**) will be held at Bayviews Function Centre, Level 1, 2 North Terrace, Burnie Tasmania at 10.00 am (AEST) on Wednesday 13 May 2015 for the purposes of transacting the following business.

The Explanatory Memorandum that accompanies and forms part of this Notice of Annual General Meeting describes the various matters to be considered at the 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 Meeting are those who are registered as Shareholders on Monday 11 May 2015 at 7.00 pm (AEST).

Terms used in this Notice of Annual General Meeting will, unless the context otherwise requires, have the same meaning given to them in the glossary as contained in the Explanatory Memorandum.

## AGENDA

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### Item 1 – Financial Statements and Reports

To receive and consider the financial report, the Directors' Report and the Auditor's Report of the Company and its controlled entities for the year ended 31 December 2014.

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

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

*"That the Remuneration Report of the Company for the year ended 31 December 2014 be adopted."*

**Note:** If 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director and CEO) must go up for re-election.

**Voting Exclusion:** Except to the extent otherwise permitted by law, the Company will disregard any vote cast on Resolution 1 (in any capacity) by or on behalf of any member of Key Management Personnel (as identified in the Remuneration Report) (and Closely Related Parties of such members) (collectively referred to as "Prohibited Voter"). However, the Company will not disregard a vote if:

- the Prohibited Voter does so as proxy appointed in writing which specifies how the proxy is to vote on Resolution 1; and
- the vote is not cast on behalf of a Prohibited Voter.

The Company will also not disregard a vote if you do not direct the person chairing the meeting how to vote and you are not a Prohibited Voter. In doing so, you authorise the person chairing the meeting to exercise the proxy even though this resolution is connected directly or indirectly with the remuneration of a Key Management Personnel, and you will be taken to have directed the person chairing the meeting to vote in accordance with his stated intention to vote in favour of this resolution. If you do not want your vote exercised in favour of this resolution you should direct the person chairing the meeting to vote 'against', or abstain from voting on, this resolution.



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**Item 3 – Resolution 2 – Re-election of Mr Clement Ko as Director**

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

*"That Mr Clement Ko, who retires in accordance with article 10.3 of the Constitution and, being eligible, offers himself for re-election, be re-elected as a Director."*

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**Item 4 – Resolution 3 – Election of Mr Liming Huang as Director**

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

*"That Mr Liming Huang, having been appointed to fill a casual vacancy retires in accordance with article 10.10 of the Constitution and, being eligible, offers himself for re-election, be re-elected as a Director."*

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**Item 5 – Resolution 4 – Election of Ms Yan Jia as Director**

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

*"That Ms Yan Jia, having been appointed to fill a casual vacancy retires in accordance with article 10.10 of the Constitution and, being eligible, offers herself for re-election, be re-elected as a Director."*

**DATED 10<sup>th</sup> DAY OF APRIL 2015**

**BY ORDER OF THE BOARD**

**PIERS LEWIS  
COMPANY SECRETARY**

## **Proxy Instructions**

*Shareholders are entitled to appoint up to two individuals to act as proxies to attend and vote on their behalf. Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion of the Shareholder's voting rights. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes.*

*The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be completed and posted to Computershare Investor Services Pty Limited GPO Box 242 Melbourne Victoria 3001 Australia. Alternatively you can fax your form to (within Australia) 1800 783 447 or (outside Australia) +61 3 9473 2555 not less than 48 hours before the time for holding the Meeting, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.*

*In addition to voting by fax and post, shareholders may also vote online at [www.investorvote.com.au](http://www.investorvote.com.au).*

*For Intermediary Online subscribers only (ie custodians), logging into [www.intermediaryonline.com](http://www.intermediaryonline.com) and submitting your voting instructions.*

*The proxy form must be signed by the Shareholder or his/her attorney duly authorised in writing or, if the Shareholder is a corporation, in a manner permitted by the Corporations Act. The proxy may, but need not, be a Shareholder of the Company.*

*In the case of Shares jointly held by two or more persons, all joint holders must sign the proxy form.*

*A proxy form is attached to this Notice of Annual General Meeting.*

### **Corporate Representative**

*A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act, in which case the Company will require a certificate of appointment of the corporate representative executed in accordance with the Corporations Act.*

*The certificate of appointment must be lodged with the Company and / or the Company's share registry, Computershare Investor Services Pty Ltd, before the Meeting or at the registration desk on the day of the Meeting.*

*Certificates of appointment of corporate representative are available at [www.investorcentre.com](http://www.investorcentre.com) or on request by contacting Computershare Investor Services Pty Ltd on telephone number on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).*

# GRANGE RESOURCES LIMITED

ACN 009 132 405

## EXPLANATORY MEMORANDUM

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This Explanatory Memorandum has been prepared for the information of Shareholders of Grange Resources Limited (**Grange** or **Company**) in connection with the business to be conducted at the Meeting to be held at the Bayviews Function Centre, Level 1, 2 North Terrace, Burnie Tasmania at 10.00 am (AEST) on Wednesday 13 May 2015.

The purpose of this Explanatory Memorandum is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the resolutions accompanying the Notice of Annual General Meeting.

This Explanatory Memorandum should be read in conjunction with the accompanying Notice of Annual General Meeting.

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### 1. Financial Statements and Reports

The Corporations Act requires the financial report, directors' report and auditor's report to be laid before the Company's Annual General Meeting. There is no requirement in either the Corporations Act or the Constitution for Shareholders to vote on, approve or adopt these reports.

Shareholders will be offered the following opportunities:

- (a) to discuss these reports and ask questions or make comment on these reports and on the business, operations and management of the Company; and
- (b) to ask the auditor questions about 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 conduct of the audit.

In addition to taking questions at the Annual General Meeting, written questions to the Chairman of the Annual General Meeting, or to the Company's auditor on the above matters may be submitted no later than five business days before the Annual General Meeting to the Company Secretary at the Company's registered office.

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

The Annual Report for the year ended 31 December 2014 contains the Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the key management personnel and each director. A copy of the report is set out on pages 37 to 43 of the Company's Annual Report, which is on the Company's website at [www.grangeresources.com.au](http://www.grangeresources.com.au)

Section 250R(2) of the Corporations Act requires that a resolution to adopt the Remuneration Report be put to shareholders at the Annual General Meeting. Whilst there is a requirement for a formal resolution, the resolution is advisory only and does not bind the Company or its directors. However, the Board will take the outcome of the vote into consideration when considering remuneration policy and practices.

Sections 250U to 250Y of the Corporations Act (among others) give shareholders the opportunity to spill a company's board of directors ("Board spill") if the resolution to approve a company's

remuneration report receives “no” votes of 25% or more at two successive Annual General Meetings.

Specifically a 25% or higher “no” vote on the remuneration report resolution at an Annual General Meeting triggers a reporting obligation on a listed company to explain in its next Annual Report how shareholders' concerns are being addressed. If a 25% or higher “no” vote on the subsequent remuneration report occurs at the next Annual General Meeting, a resolution must be put to shareholders (a “spill resolution”) that another general meeting be convened to consider the election of certain directors (the “spill meeting”). If the spill resolution is carried by an ordinary majority, the spill meeting must be held within 90 days and all directors that were directors when the 25% “no” vote was passed will cease to hold office immediately before the spill meeting (except for any managing director) and the general meeting will vote on whether those directors should be re-elected.

The Chairman of the Annual General Meeting will allow a reasonable opportunity for Shareholders to ask questions or make comments on the Remuneration Report.

#### **Directors' Recommendation**

The Board recommends that Shareholders vote in favour of Resolution 1.

The Corporations Act prohibits certain persons from voting on this item of business. A voting exclusion statement is set out on page 2 of this Notice. The Company encourages all shareholders who submit proxies to direct their proxy how to vote on the resolution.

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### **3. Resolution 2 – Re-election of Mr Clement Ko as a Director**

Mr Ko is required to resign under the Director rotation provisions of article 10.3 of the Constitution. Under these provisions one third of the Directors retire from office at each Annual General Meeting. The retiring Director however, if eligible, may offer himself for re-election.

Therefore, in accordance with the Constitution, Mr Ko retires and, being eligible, offers himself for re-election.

Mr Ko is the Chairperson and sole shareholder of Pacific Minerals Limited, the sole member of Pacific International Co Pty Ltd (one of the current shareholders of Grange). Prior to founding Pacific Minerals Limited, Mr Ko worked for BHP Billiton (China) Ltd as a senior regional marketing manager. Mr Ko has more than 20 years of experience in the mining sector with extensive experience in marketing and sales.

#### **Directors' Recommendation**

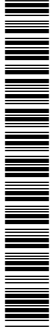
The Board, other than Mr Ko, recommends that Shareholders vote in favour of Resolution 2.

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### **4. Resolution 3 – Election of Mr Liming Huang as a Director**

Mr Huang was appointed to fill a casual vacancy on the Board on 24 September 2014. Mr Huang is required to resign under the Director retirement provisions of article 10.10 of the Constitution.

Article 10.10 of the Constitution requires a Director appointed by the other Directors of the Company to retire at the conclusion of the next Annual General Meeting following their initial appointment as a Director. Therefore, in accordance with the Constitution, Mr Huang retires, and being eligible, offers himself for re-election.



Mr Huang is a corporate and commercial lawyer with 10 years' legal experience. He is currently special counsel with Corrs Chambers Westgarth Lawyers. Mr Huang has been involved in a number of iron ore and gold corporate transactions and provides legal advice to local and international investors and businesses on mergers and acquisitions, joint ventures, equity capital markets and corporate governance.

**Directors' Recommendation**

The Board, other than Mr Huang, recommends that Shareholders vote in favour of Resolution 3.

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**5. Resolution 4 – Election of Ms Yan Jia as a Director**

Ms Jia was appointed to fill a casual vacancy on the Board on 1 June 2014. Ms Jia is required to resign under the Director retirement provisions of article 10.10 of the Constitution.

Article 10.10 of the Constitution requires a Director appointed by the other Directors of the Company to retire at the conclusion of the next Annual General Meeting following their initial appointment as a Director. Therefore, in accordance with the Constitution, Ms Jia retires, and being eligible, offers herself for re-election.

Ms Jia is currently the Director of the Administration Department with the Jiangsu Shagang International Trade Co Ltd, a subsidiary of Jiangsu Shagang Group, China's largest private steel company. Ms Jia has over seven years' experience of managerial, human resources, intellectual property and commercial experience in the steel industry and bulk raw material transaction sector. Ms Jia also has a Masters of Law from Tsinghua University in China.

**Directors' Recommendation**

The Board, other than Ms Jia, recommends that Shareholders vote in favour of Resolution 4.

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## Glossary


The following terms and abbreviations used in the Notice of Annual General Meeting and this Explanatory Memorandum have the following meanings:

<b>AEST</b>	means Australian Eastern Standard time.
<b>Board</b>	means the Board of Directors from time to time.
<b>Closely Related Party</b>	has the meaning given to it in section 9 of the Corporations Act.
<b>Constitution</b>	means the constitution of the Company as amended from time to time.
<b>Company or Grange</b>	means Grange Resources Limited ACN 009 132 405.
<b>Corporations Act</b>	means the Corporations Act 2001 (Cth).
<b>Director</b>	means a Director of the Company from time to time.
<b>Explanatory Memorandum</b>	means this explanatory memorandum.
<b>Key Management Personnel</b>	means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director of the Company.
<b>Meeting and Annual General Meeting</b>	means the annual general meeting of Shareholders convened by this Notice of Annual General Meeting.
<b>Notice and Notice of Annual General Meeting</b>	means the notice of annual general meeting which accompanies this Explanatory Memorandum.
<b>Resolution</b>	means a resolution contained in the Notice.
<b>Share</b>	means a fully paid ordinary share in the capital of the Company.
<b>Shareholder</b>	means a holder of a Share.

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**Lodge your vote:**

 **Online:**  
[www.investorvote.com.au](http://www.investorvote.com.au)

 **By Mail:**  
Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

**For all enquiries call:**  
(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000



## Proxy Form



### Vote and view the annual report online

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

### Your access information that you will need to vote:

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

 **For your vote to be effective it must be received by 10.00 am (AEST) Monday 11 May 2015**

### How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### Signing Instructions for Postal Forms

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged 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, 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 also 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. Delete titles as applicable.

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,  
or turn over to complete the form** →

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Grange Resources Limited hereby appoint

the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Grange Resources Limited to be held at Bayviews Function Centre, Level 1, 2 North Terrace, Burnie Tasmania on Wednesday, 13 May 2015 at 10.00 am (AEST) 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 Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box in step 2 below.

## STEP 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr Clement Ko as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Election of Mr Liming Huang as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Election of Ms Yan Jia as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name \_\_\_\_\_

Contact Daytime Telephone \_\_\_\_\_

Date / / \_\_\_\_\_