



ABN 33 087 741 571

Suite 8, 7 The Esplanade, Mt. Pleasant WA 6153, Australia

Phone: +61 8 9316 9100 Fax: +61 8 9615 5475

ASX Announcement

26 June 2020

ANNUAL GENERAL MEETING

Po Valley Energy Limited (**ASX: PVE**) (**Po Valley** or the **Company**) wishes to inform shareholders that the Company's Annual General Meeting is scheduled to be held in Sydney on 28th July 2020 at 11am (AEST) as set out in the notice of meeting.

Shareholders are advised that the meeting will be held under the current COVID-19 guidelines and restrictions issued by State and Federal governments and that the location, date, time and format of the meeting may be subject to change.

Accordingly, the Directors **strongly encourage all Shareholders to lodge a directed proxy form prior to the meeting.**

The Directors encourage Shareholders to monitor the ASX and the Company's website for any updates in relation to the Meeting that may need to be provided.

If the Company puts in place teleconference, detailed instructions on how to access such facilities, will be made available to Shareholders on the Company's website at www.povalley.com and the ASX Company's Announcement Platform at asx.com.au (ASX: PVE) prior to the Meeting.

Shareholders wishing to participate in the Meeting are encouraged to contact the Company as early as possible.

This Announcement was authorised for release by the Michael Masterman, Chief Executive Officer and Chairman of Po Valley Energy Limited

Media Contacts:

Michael Masterman, Po Valley CEO, 0418 9517 92



**ACN 087 741 571
NOTICE OF ANNUAL GENERAL MEETING**

AND

EXPLANATORY MEMORANDUM

To be held
At 11am AEST, 28 July 2020

at
Level 26, 44 Market Street
SYDNEY NSW AUSTRALIA

This page has been left blank intentionally.



NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting (**AGM** or **Meeting**) of shareholders of Po Valley Energy Limited (**Po Valley** or **Company**) will be held:

Date: 28 July 2020

Time: 11 am (AEST)

Venue: Level 26, 44 Market Street, SYDNEY NSW AUSTRALIA

Shareholders are advised that the meeting will be held under the current COVID-19 guidelines and restrictions issued by State and Federal governments and that the location, date, time and format of the meeting may be subject to change. The Board encourages Shareholders to submit their proxies as early as possible.

The Board encourages Shareholders to monitor the ASX and the Company's website for any updates in relation to the Meeting that may need to be provided.

If the Company puts in place teleconference, detailed instructions on how to access such facilities, will be made available to Shareholders on the Company's website at www.povalley.com and the ASX Company's Announcement Platform at asx.com.au (ASX: PVE) prior to the Meeting.

Shareholders wishing to participate in the Meeting are encouraged to contact the Company as early as possible.

ABN 33 087 741 571

Registered Office: Suite 8, 7 The Esplanade, Mt. Pleasant WA 6153, Australia
Phone: +61 8 9316 9100 Fax: +61 8 9615 5475

The Explanatory Memorandum accompanying this Notice of Meeting provides additional information on matters to be considered at the AGM. The Explanatory Memorandum and Proxy Form form part of this Notice of Meeting.

CONSIDERATION OF REPORTS

To receive and consider the Financial Report, the Directors' Report, and the Independent Auditor's Report of the Company for the financial year ended 31 December 2019.

All shareholders can view the Annual Report which contains the Financial Report for the year ended 31 December 2019 on the Company's website at <https://www.povalley.com/en/investors/financial-reports>.

ITEMS FOR APPROVAL

Resolution 1. Adoption of Remuneration Report

To consider and if thought fit, pass the following as a non-binding ordinary resolution of the Company:

"That, for the purposes of section 250R(2) of the Corporations Act 2001 (Cth) and for all other purposes, the Company's Remuneration Report for the financial year ended 31 December 2019, as set out in the Directors' Report, is adopted."

Please note that, in accordance with section 250R(3) of the *Corporations Act 2001* (Cth), the vote on this resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement:

A vote on this resolution must not be cast (in any capacity) by, or on behalf of, the following persons:

- a. a member of the Key Management Personnel (KMP) whose remuneration details are included in the Remuneration Report; or*
- b. a closely related party of such a KMP (including close family members and companies the KMP controls).*

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

- a. the person is appointed as a proxy in writing that specifies the way the proxy is to vote (e.g. for, against, abstain) on the Resolution; or*
- b. the vote is cast by the chair of the Meeting and the appointment of the chair as proxy:
 - i. does not specify the way the proxy is to vote on this Resolution; and*
 - ii. expressly authorises the chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the KMP.**

"Key management personnel" and "closely related party" have the same meaning as set out in the Corporations Act 2001 (Cth).

Resolution 2. Re-election of Director – Kevin Bailey

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

"That Kevin Bailey who retires in accordance with clause 14.2 of the Company's Constitution and being eligible for election, is re-elected as a Director of the Company."

Resolution 3. Election of Director – Sara Edmonson

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:



“That for the purpose of clause 14.3 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Sara Edmonson, a director who was appointed as an additional director on 23 December 2019, retires, and being eligible, is elected as a Director.”

Resolution 4. Appointment of HLB Mann Judd (WA Partnership) as Auditor

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

“That, subject to the Australian Securities and Investments Commission providing its consent to the resignation of Bentleys NSW Audit Pty Ltd as the auditor of the Company, HLB Mann Judd (WA Partnership) being qualified to act as auditor of the Company and having consented to act as auditor of the Company, be appointed as the Company’s auditor effective from the date on which the resignation Bentleys NSW Audit Pty Ltd takes effect.”

Resolution 5. Approval of 10% Placement Facility

To consider and, if thought fit, pass the following as a **special resolution** of the Company:

“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement.”

EXPLANATORY MEMORANDUM

The accompanying Explanatory Memorandum forms part of this Notice of Annual General Meeting and should be read in conjunction with it. Shareholders are specifically referred to the Glossary in the Explanatory Memorandum which contains definitions of terms used in this Notice of Annual General Meeting and Explanatory Memorandum.

PROXIES AND ENTITLEMENT TO VOTE

In accordance with regulation 7.11.37 of the Corporations Regulations 2001 (Cth), the Board has determined that persons who are registered holders of shares of the Company as at 11am (AEST) on 26 July 2020 will be entitled to vote at the AGM as a shareholder.

A proxy form accompanies this Notice.

The Company advises Shareholders that the Meeting will be held in compliance with the Australian government's restrictions on public gatherings. The Company strongly encourages all Shareholders to vote by directed proxy.

Appointment of Proxy

If you are a shareholder entitled to attend and vote, you may appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act 2001 (Cth) (the **Act**) to exercise its powers as proxy at the AGM.

A proxy need not be a shareholder of the Company.

A shareholder may appoint up to two proxies and specify the proportion or number of votes each proxy may exercise. If the shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise half of the shareholder's votes.

To be effective, the proxy must be received at the Share Registry of the Company no later than 11am (AEST) on 26 July 2020. Proxies must be received before that time by one of the following methods:

By post:	Po Valley Energy Limited C/- Link Market Services Limited Locked Bag A14 Sydney South NSW 1235 Australia
By facsimile:	(02) 9287 0309 (within Australia) +61 2 9287 0309 (from outside Australia)
By delivery in person:	Link Market Services Limited 1A Homebush Bay Drive Rhodes NSW 2138
Online:	www.linkmarketservices.com.au

To be valid, a proxy form must be received by the Company in the manner stipulated above. The Company reserves the right to declare invalid any proxy not received in this manner.



Power of Attorney

A proxy form and the original power of attorney (if any) under which the proxy form is signed (or a certified copy of that power of attorney or other authority) must be received by the Company no later than 11 am (AEST) on 26 July 2020, being 48 hours before the AGM.

Corporate Representatives

A body corporate which is a shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the AGM. The appointment of the representative must comply with the requirements under section 250D of the Act. The representative should bring to the AGM a properly executed letter or other document confirming its authority to act as the company's representative. An "Appointment of Corporate Representative" form may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

IMPORTANT: If you appoint the Chairman of the Meeting as your proxy, or the Chairman becomes your proxy by default, and you do not direct your proxy how to vote on Resolution 1, then by submitting the proxy form you will be expressly authorising the Chairman to exercise your proxy on the relevant resolution, even though the resolutions are connected, directly or indirectly, with the remuneration of the KMP.

ATTENDANCE AT MEETING

The Company advises Shareholders that the Meeting will be held in compliance with the Australian government's restrictions of public gatherings. The Company strongly encourages all shareholders to vote by directed proxy.

SHAREHOLDER QUESTIONS

Shareholders who are unable to attend the Meeting or who may prefer to register questions in advance are invited to do so. Please log onto www.linkmarketservices.com.au, select Voting then click 'Ask a Question' or email lucym@endeavourcorp.com.au.

To allow time to collate questions and prepare answers, please submit any questions by 7.00pm (AEST) on 21 July 2020. Questions will be collated and, during the AGM, the Chairman will seek to address as many of the more frequently raised topics as possible. However, there may not be sufficient time available at the AGM to address all topics raised. Please note that individual responses will not be sent to shareholders.

ENCLOSURES

Enclosed is the proxy form to be completed if you would like to be represented at the AGM by proxy. Shareholders are encouraged to use the online voting facility that can be accessed on Po Valley Energy Limited's share registry's website at www.linkmarketservices.com.au to ensure the timely and cost effective receipt of your proxy.

BY ORDER OF THE BOARD

Kevin Hart
Company Secretary
23 June 2020



EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of Shareholders of the Company in relation to the business to be conducted at the Company's AGM to be held on 28 July 2020 at 11 am (AEST).

The purpose of this Explanatory Memorandum is to provide Shareholders with information that is reasonably required by Shareholders to decide how to vote upon the resolutions.

Subject to the abstentions noted below, the Directors unanimously recommend Shareholders vote in favour of all Resolutions. The Chairman of the Meeting intends to vote all available undirected proxies in favour of each resolution.

Financial Statements and Reports

In accordance with section 317 of the Corporations Act, Shareholders will be offered opportunity to discuss the Annual Report, including the financial report, the Directors' report and the auditor's report for the financial year ended 31 December 2019.

There is no requirement for Shareholders to approve the Annual Report.

Shareholders will also be offered a reasonable opportunity to ask the Auditor questions relevant to:

- a. the conduct of the audit;
- b. the preparation and content of the Independent Auditor's Report;
- c. the accounting policies adopted by the Company in relation to the preparation of the financial statements;
and
- d. the independence of the Auditor in relation to the conduct of the audit.

The Chairman will also give the Auditor a reasonable opportunity to answer written questions submitted by shareholders that are relevant to the content of the Independent Auditor's Report or the conduct of the audit. A list of relevant written questions submitted by shareholders will be made available at the start of the AGM and any written answer tabled by the Auditor at the AGM will be made available as soon as practicable after the Meeting.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at <https://www.povalley.com/en/investors/financial-reports>.

Resolution 1. Adoption of Remuneration Report

Resolution 1, relating to the Remuneration Report, is advisory and does not bind the Directors or the Company.

General

Section 250R(2) of the Corporations Act 2001 (Cth) (the **Corporations Act**) requires that the section of the Directors' Report dealing with the remuneration of directors and key management personnel (**KMP**) of the Company (**Remuneration Report**) be put to the vote of shareholders for adoption by way of a non-binding vote.

Broadly, the Remuneration Report details the remuneration policy for the Company and:

- explains the structure of and rationale behind the Company's remuneration practices and the link between the remuneration of executives and the Company's performance;
- sets out remuneration details for each Director and for each executive with authority and responsibility for directing the affairs of the Company; and
- discusses the relationship between the policy and Company performance.



Shareholders can view the full Remuneration Report in the Annual Report which is available on Po Valley Energy Limited's website at <https://www.povalley.com/en/investors/financial-reports>.

The Chairman of the Meeting will give shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

Voting Consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company

Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this AGM.

The vote on this resolution is advisory only and does not bind the Directors or the Company.

Recommendation of the Board: The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to Resolution 1.

Resolution 2. Re-Election of Director – Kevin Bailey

Resolution 2 is an ordinary resolution, which requires a simple majority of votes cast by Shareholders entitled to vote on that resolution.

Listing Rule 14.4 and clause 14.2 of the Constitution provide that, other than a managing director, a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is the longer. However, where there is more than one managing director, only one is entitled to be exempt from this rotation requirement.

Kevin Bailey was appointed as a Non-executive Director of the Company on 22 April 2016. In accordance with clause 14.2 of the Constitution, Mr Bailey retires from office at the conclusion of the AGM and is eligible for re-election as a Director of the Company.

Qualifications and other material directorships

Mr Bailey has been a shareholder of the Company since April 2008 and has brought significant business acumen and experience to the Board. Mr Bailey is a highly successful businessman with a range of business interests both local and overseas. He worked for 28 years as a Certified Financial Planner and was a founding director of the Shadforth Financial Group Limited. He was a member of the Prime Minister's Community Business Partnership and devotes considerable time to philanthropic interests. Mr Bailey is currently a Chairman of Parousia Media Pty Ltd and has served as director of various entities including the Investment Advisory Board of the Timor Leste Petroleum Fund,



the \$17bn Sovereign Wealth Fund of Timor Leste, Outward Looking International Pty Ltd, Halftime Australia Pty Ltd, Alpha Australia, Empart Inc, and Dads4Kids Fatherhood Foundation.

Independence

If re-elected, the Board considers Kevin Bailey will not be an independent director due to his substantial shareholding in the Company.

Recommendation of the Board: The Directors, with Kevin Bailey abstaining, unanimously recommend Shareholders vote in favour of Resolution 2.

Resolution 3. Election of Director – Sara Edmonson

Resolution 3 is an ordinary resolution, which requires a simple majority of votes cast by Shareholders entitled to vote on that resolution.

The Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to the Constitution and ASX Listing Rule 14.4, any Director so appointed holds office only until the next following annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Ms Sara Edmonson, having been appointed by other Directors on 23 December 2019, in accordance with the Constitution, will retire in accordance with the Constitution and ASX Listing Rule 14.4 and being eligible, seek election from Shareholders.

Qualifications and other material directorships

Ms Edmonson has extensive experience in natural gas, the critical transition fuel for a low carbon future, having led PVE from July 2010 to 2017. Ms Edmonson is currently the President at Associazione Energia Nazionale, an Italian association created to promote sustainable production, transportation and use of domestic energy and is fluent in Italian, having previously worked both in Italy and internationally for Ernst & Young Transaction Advisory Services. During her tenure at EY, Ms Edmonson advised numerous blue-chip corporate clients on transactions in Russia, Romania, Turkey and the US including the US\$5 billion acquisition of DRS Technologies by Finmeccanica in 2008. Ms Edmonson holds an MBA from St John's University in New York City. Sara served on the board of Coro Energy plc from November 2017 to October 2018 and as executive until March 2019.

Independence

An independent Director is considered to be a Director who does not have a substantial holding in the Company, is not the principle or employee of a material professional advisor to the Company, has not within the past three years been an executive of the Company or another group member, receives no compensations from the Company other than Directors fees, has no material business relationship with the Company and has no other relationships that could interfere, or be perceived to interfere, with the Director's capacity to act independently of management and in the best interests of the Company.

Ms Edmonson holds a shareholding in the Company which is not considered to be significant or material, however Ms Edmonson held an executive position with the Company up to 2017.

If elected the Board considers Ms Edmonson will not be an independent director due to the executive position held in the Company within the last three years prior to appointment as director, however the Board considers that each director's commitment to the aims and ambition of all shareholders of the Company outweighs any non-independence and each director brings an independent judgement to bear on all Board decisions.

Recommendation of the Board: The Board supports the election of Ms Edmonson and recommends that Shareholders vote in favour of Resolution 3.



Resolution 4. Appointment of HLB Mann Judd (WA Partnership) as Auditor

Resolution 4 is an ordinary resolution, which requires a simple majority of votes cast by Shareholders entitled to vote on that resolution.

The Directors propose that HLB Mann Judd (WA Partnership) be appointed as the Company's auditor with effect from the date on which the resignation of Bentleys NSW Audit Pty Ltd as auditor takes effect. The written nomination by a shareholder of HLB Mann Judd (WA Partnership) as auditor of the Company is provided to Shareholders in Annexure A to this Notice. HLB Mann Judd (WA Partnership) has given written consent to act as the Company's auditor in accordance with Section 328A (1) of the Corporations Act. If Resolution 4 is passed the appointment of HLB Mann Judd (WA Partnership) as the Company's auditor will take effect from the date on which the resignation of Bentleys NSW Audit Pty Ltd takes effect (subject to ASIC consenting to the resignation of Bentleys NSW Audit Pty Ltd).

Resolution 5. Approval of 10% Placement Facility

Resolution 5 is a special resolution, which requires a special majority of votes cast by Shareholders entitled to vote on this resolution.

ASX Listing Rule 7.1A provides that an Eligible Entity (as defined below) may seek shareholder approval by special resolution passed at an annual general meeting to have the capacity to issue up to that number of Equity Securities (as defined below) equal to 10% of its issued capital (**10% Placement Capacity**) without using that company's existing 15% annual placement capacity granted under ASX Listing Rule 7.1.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- is not included in the S&P/ASX 300 Index; and
- has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

As at the date of this Notice, the Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$22.0m (based on the number of Shares on issue and the closing price of Shares on the ASX on 17 June 2020).

An Equity Security is a share, a unit in a trust, a right to a share or unit in a trust or option, an option over an issued or unissued security, a convertible security, or, any security that ASX decides to classify as an equity security.

Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing class of quoted Equity Securities.

As at the date of this Notice, the Company currently has one class of quoted Equity Securities on issue, being the Shares (ASX Code: PVE).

Resolution 5 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

If Resolution 5 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 5 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A, and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.



Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 5:

Period for which the 7.1A Mandate is valid

The 7.1A Mandate will commence on the date of the Meeting and expire on the first to occur of the following:

- the date that is 12 months after the date of this Meeting;
- the time and date of the Company's next annual general meeting; and
- the time and date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking).

Minimum Price

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- the date on which the price at which the Equity Securities are to be issued is agreed; or
- if the Equity Securities are not issued within 5 ASX trading days of the date in section [insert], the date on which the Equity Securities are issued.

Date of Issue

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- 12 months after the date of this Meeting; and
- the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid),

(10% Placement Capacity Period).

Risk of voting dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 5 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the market price of Shares and the number of Equity Securities on issue as at 14 April 2020.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	\$0.017 50% decrease in Issue Price	\$0.034 Issue Price	0.051 50% increase in Issue Price
647,286,103 (Current Variable A)	Shares issued - 10% voting dilution	64,728,610 Shares	64,728,610 Shares	64,728,610 Shares
	Funds raised	\$1,100,386	\$2,200,773	\$3,301,159
970,929,155 (50% increase in Variable A)	Shares issued - 10% voting dilution	97,092,916 Shares	97,092,916 Shares	97,092,916 Shares
	Funds raised	\$1,650,579	\$3,301,159	\$4,951,738
1,294,572,206 (100% increase in Variable A)	Shares issued - 10% voting dilution	129,457,221 Shares	129,457,221 Shares	129,457,221 Shares
	Funds raised	\$2,200,773	\$4,401,546	\$6,602,318

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

- There are currently 647,286,103 Shares on issue:
- The issue price set out above is the closing price of the Shares on the ASX on 17 June 2020;
- The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
- The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
- The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
- The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
- This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

Purpose of Issue under 10% Placement Capacity

The issue under ASX Listing Rule 7.1A can only be made for cash consideration. The purpose of any issue would be set out for Shareholders at the time of such an issue. However, in general terms, the Company would issue Equity Securities under the 10% Placement Capacity to raise cash to fund the Company's forward exploration and development work programs, for general working capital or acquiring new assets (including any expenses associated with such an acquisition).



Allocation policy under the 10% Placement Capacity

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- the purpose of the issue;
- alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- the effect of the issue of the Equity Securities on the control of the Company;
- the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- prevailing market conditions; and
- advice from corporate, financial and broking advisers (if applicable).

Previous approval under ASX Listing Rule 7.1A

The Company previously obtain approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 30 May 2019. During the 12-month period preceding the date of the Meeting, being on and from 30 May 2019, the Company has not issued any Equity Securities under Listing Rule 7.1A.

During the 12-month period preceding the date of the Meeting, being on and from 30 May 2019, the Company has otherwise issued a total of 25,454,547 Ordinary Shares which represents approximately 4.09% of the total diluted number of Equity Securities on issue in the Company on 30 May 2019, which was 621,831,556.

Further details of the issues of Equity Securities by the Company during the 12-month period preceding the date of the Meeting are set out in Schedule 1.

Compliance with ASX Listing Rule 7.1A.4

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it must:

- state it in its announcement of the proposed issue under ASX Listing Rule 3.10.3 or in its application for quotation of the securities under ASX Listing Rule 2.7 that the securities are issued under ASX Listing Rule 7.1A; and
- give to the ASX, a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4.

Voting Exclusion

As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A. Accordingly, a voting exclusion statement is not included in this Notice.

Recommendation of the Board: *The Directors unanimously recommend that Shareholders vote in favour of Resolution 5.*



DEFINITIONS

In this Notice and Explanatory Memorandum:

10% Placement Capacity has the meaning given on page 8.

2019 Annual Report means the Company's annual report for the year ended 31 December 2019.

AEST means Australian eastern standard time as observed in Sydney, New South Wales.

ANNUAL GENERAL MEETING or **AGM** means the annual general meeting of the Company to be held at 11 am (AEST) on 28 July 2020.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Auditor means the Company's auditor from time to time being, at the date of this Notice, Bentleys NSW Audit Pty Ltd.

Board means the current board of directors of the Company

Closely Related Parties of a member of the KMP means:

- a) a spouse or child of the member;
- b) a child of the members spouse;
- c) a dependent of the member or the member's spouse;
- 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 dealing with the entity;
- e) a company the member controls; or
- f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of "closely related party" in the Corporations Act.

Company means Po Valley Energy Limited (ABN 33 087 741 571).

Constitution means the constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the directors of the Company.

Directors' Report means the director report of the Company for the year ended 31 December 2019, as set out in the 2019 Annual Report.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- a) is not included in the S&P/ASX 300 Index; and
- b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Notes means the explanatory notes which accompany and are incorporated as part of this Notice.



Financial Report means the financial report of the Company for the year ended 31 December 2019, as set out in the 2019 Annual Report.

Independent Auditor's Report means the independent auditor's report of the Company for the year ended 31 December 2019, as set out in the 2019 Annual Report.

Key Management Personnel or **KMP** has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Notice and **Notice of Meeting** means this Notice of AGM.

Ordinary Securities has the meaning set out in the ASX Listing Rules.

Remuneration Report means the remuneration report of the Company for the year ended 31 December 2019, as set out in the 2019 Annual Report.

Resolution means a resolution set out in this Notice.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means holder of a Share.

Variable A means "A" as set out in the formula in ASX Listing Rule 7.1A(2).

Schedule 1 – issues of equity securities since 30 May 2019

Date	Quantity	Class	Recipients	Issue Price	Form of consideration
Issue – 8 August 2019 Appendix 3B – 7 August 2019	14,545,456	Ordinary Fully Paid Shares ¹	Institutional and Sophisticated Investors, including some shareholders under a placement	\$0.055 per Share	Consideration received of \$800,000 (before costs) The Company has spent all of the funds raised. The Purpose of the funds raised was for ongoing development of the Company's Selva and Teodorico assets and for general working capital
Issue – 6 November 2019 Appendix 3B – 6 November 2019	10,909,091	Ordinary Fully Paid Shares ¹	Institutional and Sophisticated Investors, including some shareholders	\$0.055 per Share	Consideration received of \$600,000 (before costs) The Company has spent all of the funds raised. The Purpose of the funds raised was for ongoing development of the Company's Selva and Teodorico assets and for general working capital I

Notes:

1. Fully paid ordinary shares in the capital of the Company, ASX Code: PVE (terms are set out in the Constitution).



Annexure 1 – Nomination of HLB Mann Judd (WA Partnership) as auditor

16 June 2020

The Directors
Po Valley Energy
Suite 8, 7 The Esplanade
Mt Pleasant WA 6153

Dear Sirs

Notice of Nomination of Auditor

In accordance with the provision of Section 328B of the Corporations Act 2001, Symmall Pty Ltd, being a member of Po Valley Energy Limited nominated HLB Mann Judd (WA Partnership) for appointment as auditor of the Company.

Yours sincerely

A handwritten signature in dark ink, appearing to read "M Masterman", is written over the "Yours sincerely" text.

Michael Masterman
Director
Symmall Pty Ltd

This page has been left blank intentionally.

This page has been left blank intentionally.

LODGE YOUR VOTE

ONLINE
www.linkmarketservices.com.au

BY MAIL
Po Valley Energy Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

BY FAX
+61 2 9287 0309

BY HAND
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138

ALL ENQUIRIES TO
Telephone: 1300 554 474 Overseas: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of Po Valley Energy Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box) **OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **11:00am (AEST) on Tuesday, 28 July 2020 at Level 26, 44 Market Street Sydney NSW 2000 (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolution 1: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 1, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than **48 hours before the Meeting**. Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director – Kevin Bailey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
3 Election of Director – Sara Edmonson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Appointment of HLB Mann Judd (WA Partnership) as Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

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

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual) Joint Shareholder 2 (Individual) Joint Shareholder 3 (Individual)
Sole Director and Sole Company Secretary Director/Company Secretary (Delete one) Director

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



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

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

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11:00am (AEST) on Sunday, 26 July 2020**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MAIL

Po Valley Energy Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

* During business hours (Monday to Friday, 9:00am–5:00pm)



COMMUNICATION PREFERENCE

We encourage you to receive all your shareholder communication via email. This communication method allows us to keep you informed without delay, is environmentally friendly and reduces print and mail costs.



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Communications' and click the first button to receive all communications electronically and enter your email address. To use the online facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).

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