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MALABAR COAL LIMITED
AB 29 151 691 468
Level 26, 259 George Street
Sydney NSW 2000
PO Box R864
Royal Exchange NSW 1225
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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of members of Malabar Coal Limited ABN 29 151 691 468 (**Company**) will be held in the Card Room, Level 2, Union, University & Schools Club, 25 Bent Street, Sydney NSW 2000, commencing 10.00am Sydney time on Thursday 28th November 2013.

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Refer to the Explanatory Notes for further information on the proposed Resolutions.

Date: 24th October 2013

By order of the Board of Malabar Coal Limited



Ian Morgan
Company Secretary

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ITEMS OF GENERAL BUSINESS

1. ACCOUNTS AND REPORTS

To receive and consider the financial statements and reports of the Company for the year ended 30th June 2013.

Note: There is no requirement for shareholders to approve these reports.

The statutory annual report is available for members to access and download from www.malabarcoal.com.au

If you would like to receive a hard copy of the statutory annual report free of charge you can contact Malabar Coal Limited by telephoning + 61 2 8248 1272.

2. ADOPTION OF THE REMUNERATION REPORT

Resolution 1

To consider and if thought fit to pass, with or without amendment, the following resolution as a non-binding resolution:

That the Company adopts the Remuneration Report for the financial year ended 30th June 2013.

Notes:

- This Resolution is advisory only and does not bind the Company or the directors.
- The directors will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies.
- The Chairman of the Meeting intends to vote all available proxies in favour of adopting the Remuneration Report.
- If 25% or more votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, shareholders will be required to vote at the second of those AGMs on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's directors must go up for re-election.

3. RE-ELECTION OF DIRECTOR – SIMON KEYSER

Resolution 2

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

That Simon Keyser, a director retiring from office and eligible to be re-elected, be and is hereby elected as a director of the Company.

Notes:

- Simon Keyser has consented to be re-elected a director of the Company.
- The non-candidate directors unanimously support the re-election of Mr Keyser.
- The Chairman of the Meeting intends to vote all available proxies in favour of Mr Keyser's re-election.

4. VOTING RIGHTS AND PROXIES

- A member entitled to attend and vote at the meeting has a right to appoint a proxy.
- This appointment may specify the proportion or number of votes that the proxy may exercise.
- The proxy need not be a member of the Company.
- A member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes that each proxy is appointed to exercise. If the member appoints two proxies and the appointment does not specify the proportion or number of the member's votes that each proxy may exercise, each proxy may exercise half of the votes.

5. HOW THE CHAIRMAN OF THE MEETING WILL VOTE UNDIRECTED PROXIES

The Chairman of the Meeting will vote all available proxies in favour of all proposed resolutions

6. VOTING EXCLUSIONS

Resolution 1

The Company will disregard any votes cast on Resolution 1 (remuneration report):

- by or on behalf of a member of the Key Management Personnel whose remuneration is disclosed in the Remuneration Report and any Closely Related Party of such a member; or
- as a proxy by a member of the Key Management Personnel or a Closely Related Party of such a member

unless the vote is cast as a proxy for a person who is entitled to vote on Resolution 1:

- in accordance with their directions of how to vote on the Proxy Form; or
- by the Chairman of the Meeting pursuant to an express authorization on the Proxy Form.

7. LODGING YOUR PROXY

Proxies must be sent by:

- Hand delivery to the Company's registered office at Level 26, 259 George Street Sydney NSW 2000;
- Post to Malabar Coal Limited, PO Box R864 Royal Exchange NSW1225; or
- Facsimile to Malabar Coal Limited on facsimile number + 61 2 8248 1273.

so that it is received not later than 10.00am Sydney time, Tuesday 26th November 2013.

8. DATE FOR DETERMINING HOLDERS OF SHARES

For the purposes of regulation 7.11.37 of the Corporations Act and ASX Settlement Operating Rule 5.6.1, the Directors have set End of Day on Tuesday 26th November 2013 as the time and date to determine holders of the Company's ordinary fully paid shares for the purposes of the Annual General Meeting.

Share transfers registered after that deadline will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.

EXPLANATORY NOTES

9. FINANCIAL REPORTS

The Financial Statements, Directors' Report and Auditor's Report for the Company for the year ended 30th June 2013 will be laid before the meeting. There is no requirement for shareholders to approve these reports. However, the Chairman of the Meeting will allow a reasonable opportunity for shareholders to ask questions about, or make comments on, the management of the Company.

Shareholders will be given a reasonable opportunity to ask the auditor questions about the conduct of the audit and the content of the Auditor's Report.

10. REMUNERATION REPORT

The Remuneration Report of the Company for the financial year ended 30th June 2013 is set out in the Company's 2013 Annual Report which is available on the Company's website www.malabarcoal.com.au

The Remuneration Report sets out the Company's remuneration arrangements for Key Management Personnel. The Chairman of the meeting will allow a reasonable opportunity for shareholders to ask questions about, or make comments on, the Remuneration Report at the meeting. In addition, shareholders will be asked to vote on the Remuneration Report.

The resolution is advisory only and does not bind the Company or its directors. The Board will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies. Under the *Corporations Act*, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, shareholders will be required to vote at the second of those AGMs on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's directors must go up for re-election.

The Company encourages all shareholders to cast their votes on Resolution 1 (Remuneration Report). Shareholders not attending the meeting may use the enclosed Proxy Form to lodge their vote by appointing a Proxy. Any undirected proxies held by the Chairman of the Meeting, other directors or other Key Management Personnel or any of their Closely Related Parties will not be voted on Resolution 1 (Remuneration Report), unless the vote is cast by the Chairman of the Meeting pursuant to an express authorization on the Proxy Form made by a Shareholder who is entitled to vote on Resolution 1.

Key management personnel of the Consolidated Entity are the directors of the Company and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies the Company's Key Management Personnel for the financial year to 30th June 2013. Their Closely Related Parties are defined in the *Corporations Act*, and include certain of their family members, dependants and companies they control. If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on Resolution 1 (Remuneration Report) by marking either "For", "Against" or "Abstain" on the Voting Form for that item of business.

11. RE-ELECTION OF A DIRECTOR RETIRING BY ROTATION

Under ASX Listing Rule 14.4, a director must not hold office without re-election past the third annual general meeting following the director's appointment or three years, whichever is longer. A director who retires in accordance with these requirements is eligible for re-election.

Clause 13.1 (c) of the Company's constitution requires that subject to the *Corporations Act*, the Directors may at any time appoint any person to be a Director. That person holds office until the end of the next annual general meeting following their appointment and is eligible for election at that meeting.

Clause 13.3 of the Company's constitution requires that:

- (a) Subject to Clause 16.1 [Clause 13.3 does not apply where Directors appoint a Managing Director], no Director may hold office for a period in excess of 3 years, or beyond the third annual general meeting following the Director's election, whichever is the longer, without submitting himself or herself for re-election.
- (b) There must be an election of Directors at each annual general meeting. The Director or Directors to retire at each annual general meeting are any one or more of the following, as applicable:
 - (i) any Director required to retire under clause 13.3(a) and standing for re-election;
 - (ii) any Director required to submit for election under clause 13.1(c);
 - (iii) a person standing for election as a new Director; or
 - (iv) if no person is standing for election or re-election under clauses 13.3(b)(i) to 13.3(b)(iii); then the Director who has been in office the longest since last being elected. Between Directors who were elected on the same day, the Director to retire will be decided by lot, unless the relevant Directors agree otherwise.
- (c) Clauses 13.3(a) and 13.3(b) do not apply to any Managing Director.

Accordingly, Simon Keyser is due to retire at the end of the meeting and offers himself for re-election to the Board.

Simon Keyser	B.Bus, CA
Role	Non-executive Director
Experience	Simon has over 20 years of finance sector experience, specialising in the resources and energy sectors. Simon held senior investment banking positions with Chase Securities (now J.P. Morgan Chase) and was head of Wilson HTM's corporate finance division. Simon has managed transactions for many coal and energy companies including Felix Resources, Excel Coal, Whitehaven Coal, Austral Coal and Arrow Energy. Simon is currently a director of XLX Pty Ltd, Ironstone Capital Partners Pty Ltd and ASX-listed Titan Energy Services Ltd (Appointed 28 March 2011). Simon holds a Bachelor of Business from the Queensland University of Technology, Graduate Diploma from FINSIA and is a Chartered Accountant.
Special Responsibilities	Member of Remuneration & Nominations Committee and Chairman of the Audit Committee
Interest in Shares and Options (direct and indirect)	Ordinary Shares – 8,286,038 (including 5,483,590 shares held by Ironstone Capital Partners Pty Ltd, a company in which Simon Keyser is a director and shareholder).

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12. INTERPRETATION

For the purposes of interpreting the Explanatory Notes and the Notice:

- (a) the singular includes the plural and vice versa;
- (b) words importing any gender include the other genders;
- (c) reference to any statute, ordinance, regulation, rule or other law includes all regulations and other instruments and all consolidations, amendments, re-enactments or replacements for the time being in force;
- (d) all headings, bold typing and italics (if any) have been inserted for convenience of reference only and do not define limit or affect the meaning or interpretation of the Explanatory Notes and the Notice;
- (e) reference to persons includes bodies corporate and government authorities and in each and every case, includes a reference to the person's executors, administrators, successors, substitutes (including without limitation persons taking by novation and assignment); and
- (f) reference to **cents**, **\$**, **A\$**, **Australian Dollars** or **dollars** is a reference to the lawful tender for the time being and from time to time of the Commonwealth of Australia.

13. GLOSSARY

AGM or **Annual General Meeting** means the annual general meeting to commence 10.00am Sydney time on Thursday 28th November 2013 and notified to the Company's Shareholders by this Notice.

Associate has the meaning given to that term in Part 1.2, Division 2 of the Corporations Act.

ASX means ASX Limited ABN 98 008 624 691.

ASX Listing Rules means the official listing rules issued and enforced by the ASX, as amended from time to time, and **Listing Rules** has a corresponding meaning.

Board or **Board of Directors** means the board of Directors of the Company.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's 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).

Company means Malabar Coal Limited ABN 29 151 691 468.

Consolidated Entity means the Company together with all the entities it is required by the accounting standards to include in consolidated financial statements.

Constitution means the constitution of the Company, as amended from time to time.

Corporations Act means the *Corporations Act 2001* (Commonwealth) as amended from time to time.

Director means a director of the Company.

End of Day means on any Trading Day, 7.00pm Sydney time or such other time as ASX Settlement may from time to time determine.

Equity Securities has the same meaning as in the ASX Listing Rules.

Explanatory Notes means the notes included in the Notice which convened this meeting.

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Consolidated Entity, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Notice means this notice of Annual General Meeting.

Remuneration Report means the remuneration report which forms part of the Directors' Report of the Company for the financial year ended 30th June 2013 and which is set out in the 2013 Annual Report.

Share means a fully paid ordinary share in the issued capital of the Company and **Shares** has a corresponding meaning.

Shareholder means shareholder of the Company and **Shareholders** has a corresponding meaning.

Trading Day means a day determined by the ASX to be a trading day, notified to market participants, and otherwise as defined by the ASX Listing Rules.

14. REGISTERED OFFICE

Malabar Coal Limited ABN 29 151 691 468

Level 26, 259 George Street Sydney NSW 2000

Telephone: + 61 2 8248 1272

Facsimile: + 61 2 8248 1273

www.malabarcoal.com.au

PROXY FORM

I/We, _____(insert name(s) / address)

being a member/s of Malabar Coal Limited ABN 29 151 691 468 (**Company**) hereby appoint

_____ (insert name / address)

or failing him or her the Chairman of the Meeting¹ as my/our proxy to vote on my/our behalf at the Annual General Meeting of the Company to be held at the Card Room, Level 2, Union, University & Schools Club, 25 Bent Street, Sydney NSW 2000, commencing at 10.00am Sydney time on Thursday 28th November 2013, and at any adjournment of that meeting.

¹If you appoint a proxy, the Company encourages you to direct your proxy how to vote on each item of business. The Directors and other Key Management Personnel of the Consolidated Entity and their Closely Related Parties (see the Notice of Meeting and overleaf) will not cast any votes in respect of Resolution 1 (Remuneration Report) that arise from undirected proxies that they hold. The Chairman of the Meeting intends to vote all available proxies in favour of all Resolutions.

If the Chairman of the Meeting is appointed as your proxy, or may be appointed by default and you do not wish to direct your proxy how to vote please place a mark in the box. By marking this box, you acknowledge that the Chairman of the Meeting may exercise your proxy even if he has an interest in the outcome of the resolutions. Votes cast by the Chairman of the Meeting for the resolutions other than as proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on the resolutions and your votes will not be counted in calculating the required majority if a poll is called on the resolutions.

I/we authorize the Chairman of the Meeting to vote on Resolution 1 in accordance with his/her intentions as set out in the Notice of Meeting and this form (except where I/we have indicated a different voting intention by marking the voting boxes). I/we acknowledge that the Chairman of the Meeting may exercise my/our proxy in relation to Resolution 1, even though Resolution 1 is connected directly or indirectly with the remuneration of members of Key Management Personnel of the Consolidated Entity.

If you do not mark this box and you do not direct the Chairman of the Meeting how to vote on Resolution 1, the Chairman of the Meeting will NOT cast any vote in respect of Resolution 1 that arise from undirected proxies.

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 computing the required majority on a poll.

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PROXY FORM ANNUAL GENERAL MEETING Thursday 28th November 2013

This proxy is to be used in respect of all / ___% (*number*) of the Ordinary Shares I / we hold.

I/We instruct my/our proxy to vote as follows (the resolutions are numbered as in the Notice of Annual General Meeting):

	For	Against	Abstain
To consider and, if thought fit, to pass, with or without amendment, the following resolutions:			

Resolution 1: To adopt the Remuneration Report.

Resolution 2: To re-elect Simon Keyser as a Director of the Company.

(insert name(s) / address)

Dated: _____ 2013

Individuals and joint holders

Companies (affix common seal if appropriate)

Signature
Signature

Director
Director/Company Secretary

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Instructions for Completing Proxy Form

1. A member entitled to attend and vote at a Meeting is entitled to appoint a proxy to attend and vote on behalf of that member.
2. You should 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. 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 one item, your vote on that item will be invalid.
3. Any undirected proxies held by the Chairman of the Meeting, other directors or other Key Management Personnel or any of their Closely Related Parties will not be voted on Resolution 1 (Remuneration Report), unless the vote is cast by the Chairman of the Meeting pursuant to an express authorization on the Proxy Form made by a Shareholder who is entitled to vote on Resolution 1.
4. Key management personnel of the Consolidated Entity are the directors of the Company and those other persons having authority and responsibility for planning, directing and controlling the activities of the Consolidated Entity, directly or indirectly. The Remuneration Report identifies the Consolidated Entity's Key Management Personnel for the financial year to 30th June 2013. Their Closely Related Parties are defined in the *Corporations Act*, and include certain of their family members, dependants and companies they control.
5. A duly appointed proxy need not be a member of the Company. This form should be signed by the member. If a joint holding, either member may sign. If signed by the member's attorney, the power of attorney must have been previously noted by the Company or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the member's constitution and the *Corporations Act*.
6. Corporate shareholders should comply with the execution requirements set out on the proxy form or otherwise with the provisions of Section 127 of the *Corporations Act*. Section 127 of the *Corporations Act* provides that a company may execute a document without using its common seal if the document is signed by:
 - directors of the company;
 - a director and a company secretary of the company; or
 - for a proprietary company that has a sole director who is also the sole company secretary – that director.
7. For the Company to rely on the assumptions set out in Section 129(5) and (6) of the *Corporations Act*, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.
8. Completion of a proxy form will not prevent individual shareholders from attending the meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attends the meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the meeting.
9. Where a proxy form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.
10. To vote by proxy, please complete and sign the proxy form enclosed and send the proxy form by:
 - Hand delivery to the Company's registered office at Level 26, 259 George Street Sydney NSW 2000
 - Post to Malabar Coal Limited, PO Box R864 Royal Exchange NSW1225; or
 - Facsimile to Malabar Coal Limited on facsimile number + 61 2 8248 1273.

so that it is received not later than 10.00am Sydney time, Tuesday 26th November 2013.

Proxy forms received later than this time will be invalid.

11. Chapter 2C of the *Corporations Act* requires information about you as a member (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold securities. Information is collected to administer your shareholding and if some or all of the information is not collected then it might not be possible to administer your shareholding. You can access your personal information by contacting the Company at the address or telephone number shown on this form.

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MALABAR COAL LIMITED

AB 29 151 691 468

Level 26, 259 George Street
Sydney NSW 2000

PO Box R864
Royal Exchange NSW 1225

Ph: +61 2 8248 1272

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APPOINTMENT OF CORPORATE REPRESENTATIVE

Pursuant to Section 250D of the *Corporations Act*

_____ (ABN/ACN/ARBN) _____

(Insert name of Shareholder/Body Corporate & ACN/ARBN)

Hereby Authorises

(Insert name of appointee)

- (*) 1. To act as the Company's representative at all General Meetings of Malabar Coal Limited ABN 29 151 691 468.
- (*) 2. To act as the Company's Representative at the Annual General Meeting to be held commencing 10.00am Sydney time on Thursday 28th November 2013 and any adjournment thereof.

Dated this _____ day of _____ 2013

Executed by the corporation in accordance with its Constitution/Section 127 of the
Corporations Act in the presence of:

(*) Director (*) Sole Director & Sole Secretary

(*) Director/Secretary

Affix Common Seal here (optional)

(*) Delete if not applicable

This authority may be sent to the registered office or share registry office of the Company in advance of the meeting as set out in the Notice of Annual General Meeting which this appointment accompanies or handed in at the Annual General Meeting when registering as a company representative. In either case, the authority will be retained by the Company.

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