



MALABAR RESOURCES LIMITED

ABN 29 151 691 468

Level 26, 259 George Street
Sydney NSW 2000

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Royal Exchange NSW 1225

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27 October 2020

Dear Shareholder

Notice of Annual General Meeting (AGM)

Shareholders are advised that an AGM of the members of Malabar Resources Limited ACN 151 691 468 (Malabar) will be held on **Thursday, 26 November 2020 at 10:00am (ASDT)**.

COVID safety precautions

Considering the uncertainty and potential health risks created by the rapidly evolving COVID-19 pandemic, Malabar is planning for and responding to the situation by holding a virtual AGM, with no physical attendance permitted.

We encourage shareholders to continue to participate and engage with the Board by:

- lodging a directed proxy or direct vote in advance of the meeting by following the instructions noted on the proxy form;
- lodging questions in advance of the meeting by emailing questions to admin@malabarresources.com.au by 5.00pm (ASDT) on Tuesday, 24 November 2020;
- attending the live AGM by dialing into Zoom through the link noted on the Notice of the meeting.

Purpose of the meeting

The business to be dealt with at the Meeting is provided on pages 1 and 2 of the notice of annual general meeting enclosed with this letter (**Notice**).

Other business

The Maxwell Underground Project ('Project') has been referred to the NSW Independent Planning Commission (IPC), which will hold a Public Hearing regarding the Project on Wednesday 11 November 2020.

The Public Hearing is the final step in the approval process and comes after the NSW Government released its Whole of Government Assessment Report on the Project, stating that it is in the public interest and can proceed.

Your support has been invaluable to the Project's progress thus far, and as the last chance to have your say, I encourage you to have your voice heard by the IPC.

There are two ways to do this: you can either lodge a written submission and/or request to speak at the hearing. Both avenues are given equal weight by the IPC.

If you would like to apply to speak you must complete the **speaker registration** by no later than 5pm on 4 November 2020. Given the ongoing COVID-19 physical distancing requirements, the IPC will conduct the hearing by video conference, with an option to participate by telephone.

The IPC will accept **written comments** up to one week after the hearing via email, post or the online portal. i.e. 20th November 2020.

Malabar's Manager of Health, Safety, Environment and Community, Donna McLaughlin, is available on 0467 787 139 or dmclaughlin@malabarresources.com.au to outline the process in more detail and assist you in any way possible to participate and voice your support.

Should you wish to read the NSW Government's Assessment Report, it is available on our website or the IPC website.

Links:

IPC website – Speaker Registration: <https://www.ipcn.nsw.gov.au/projects/2020/09/maxwell-underground-coal-mine-project>

IPC website – Written comments: <https://www.ipcn.nsw.gov.au/have-your-say>

NSW Assessment Report: <https://www.ipcn.nsw.gov.au/projects/2020/09/maxwell-underground-coal-mine-project>

Maxwell Project Updates: <https://malabarresources.com.au/about-us/assets/maxwell-underground-project>

Please do not hesitate to contact me personally if you have any questions or require further information.

Yours sincerely,



Wayne Seabrook
Chairman

- If you wish to appoint a proxy and are entitled to do so, then complete and return the **attached** proxy form.
- A corporation may elect to appoint a representative in accordance with the *Corporations Act 2001* (Cth) in which case the Company will require written proof of the representative's appointment which must be lodged with or presented to the Company before the meeting.
- If you have any queries on how to cast your votes, then call the Company on +61 2 8248 1272 during business hours in Sydney.

Administrative

Please update your contact details on Malabar's share register to ensure we have all relevant information to contact you. This can be done on the LINK Market Services website:

<https://investorcentre.linkmarketservices.com.au/Login/Login>

Please contact Malabar on +61 2 8248 1272 or admin@malabarresources.com.au if you have any questions.

Dated 27 October 2020

By order of the Board



Wayne Seabrook
Chairman
Malabar Resources Limited

Explanatory memorandum

Malabar Resources Limited ACN 151 691 468 (**Company**)

1 Financial report

Background

- 1.1 The Company's financial report (which includes the financial statements), directors' report and auditor's report for the year ended 30 June 2020 will be laid before the annual general meeting, in accordance with the requirement under the Corporations Act. There is no requirement either in the Corporations Act or in the Company's constitution for shareholders of the Company to approve these reports. However, the Chairman of the annual general meeting will allow a reasonable opportunity for shareholders of the Company to ask questions about, or make comments on, these reports and the management of the Company more generally.
- 1.2 Shareholders of the Company will be given a reasonable opportunity to ask the Company's 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 Company's financial statements, and the independence of the auditor in relation to the conduct of the audit.

2 Re-election of a director – Resolution 1

Background

- 2.1 Rule 13.3 of the Company's constitution states that, excluding any managing director of the Company:
- (a) *no director of the Company may hold office for a period in excess of three years, or beyond the third annual general meeting following the election of that director of the Company, whichever is the longer, without submitting himself or herself for re-election; and*
 - (b) *there must be an election of directors of the Company at each annual general meeting, with the director(s) of the Company to retire at each annual general meeting being any one or more of the following, as applicable:*
 - (i) *any director of the Company required to retire under rule 13.3(a) of the Company's constitution and standing for re-election;*
 - (ii) *any director of the Company required to submit for election under rule 13.1(c) of the Company's constitution;*
 - (iii) *a person standing for election as a new director of the Company; or*
 - (iv) *if no person is standing for election or re-election, then the director of the Company who has been in office the longest since last being elected (noting that between directors of the Company who were elected on the same day, the director of the Company to retire will be decided by lot, unless the relevant directors of the Company agree otherwise).*
- 2.2 Accordingly, Mr Beem is due to retire by rotation under rule 13.3(a) of the Company's constitution and offers himself for re-election as a director of the Company. Mr Beem's qualifications, role, experience and special responsibilities are listed below.

Brian Beem	Brian holds a Bachelor of Arts (Political Economy) from Princeton University, USA.
Role	Director
Experience	Brian has more than 16 years of global resources investment and corporate finance experience. Brian worked on numerous transactions in the resources sector while working as investment banker at Merrill Lynch and a principal investor at First Reserve Corporation, a U.S. based energy private equity firm. For the last 12 years Brian has held senior positions at the AMCI Group, a privately held global resources investor. During his time at AMCI Brian has led numerous investments in the Australian coal sector, including Felix Resources, Whitehaven Coal, AMCI Australia and Fitzroy Resources. Brian currently serves on the boards of Conuma Coal Resources Ltd, Fitzroy QLD Resources Ltd and AMCI Investments Pty Ltd, amongst others.
Special responsibilities	Member of the Audit Committee and Remuneration Committee

Recommendation

- 2.3 The non-candidate directors of the Company, with Mr Beem abstaining, unanimously recommend that shareholders of the Company approve the re-election of Mr Beem as a director of the Company.

3 Registered Office

Malabar Resources Limited

Level 26, 259 George Street, Sydney, NSW, 2000

Telephone: +61 2 8248 1272

Email: admin@malabarresources.com.au

www.malabarresources.com.au

PROXY FORM FOR ORDINARY SHAREHOLDERS

STEP 1: APPOINT A PROXY

Shareholder details

Name(s):

Address:

Contact telephone
number:

Contact email address:

Contact name
(if different from above):

I/We, being a Shareholder/s of Malabar Resources Limited ABN 29 151 691 468 (**Company**) hereby appoint

_____ (insert name / address) or failing him or her the Chairman of the Meeting as my/our proxy to vote on my/our behalf at the Annual General Meeting of the Company to be held via a Zoom meeting **commencing at 10.00am (Sydney time) on Thursday, 26 November 2020**, and at any adjournment of that Meeting.

If you appoint a proxy, the Company encourages you to direct your proxy how to vote on each item of business.

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

If you have appointed the Chairman of the Meeting as your proxy (or the Chairman of the Meeting becomes your proxy by default), and you wish to give the Chairman of the Meeting specific voting directions on an item, you should mark the appropriate boxes opposite those items in step 2 below (directing the Chairman of the Meeting to vote for, against or to abstain from voting).

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.

STEP 2: VOTING INSTRUCTIONS

This proxy is to be used in respect of all / _____ % of the ordinary Shares I/we hold.

I/We instruct my/our proxy to vote as follows (noting that the resolutions are numbered as in the Notice):

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

RESOLUTION

FOR

ABSTAIN

AGAINST

Resolution 1: That Mr Beem be re- elected as a Director of the Company

(insert name / address)

STEP 3: SIGNATURE OF SHAREHOLDER

Dated: _____ 2020

Individuals and joint holders

Companies (affix common seal if appropriate)

Signature

Director

Signature

Director / Company Secretary

PROXY FORM FOR ORDINARY SHAREHOLDERS

Instructions for completing the proxy form

1. A Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on behalf of that Shareholder.
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. A duly appointed proxy need not be a Shareholder. This form should be signed by the Shareholder. If the holding is 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 Company or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the Shareholder's constitution and the Corporations Act.
4. 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:
 - a. directors of the company;
 - b. a director and a company secretary of the company; or
 - c. for a proprietary company that has a sole director who is also the sole company secretary – that director.
5. For the Company to rely on the assumptions set out in sections 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with sections 127(1) or (2) of the Corporations Act. 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 sections 127(1) or (2) of the Corporations Act, 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.
6. 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.
7. 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.
8. To vote by proxy, please complete and sign the proxy form enclosed and send the proxy form by:
 - a. hand delivery the proxy form to the Company's registered office at Level 26, 259 George Street, Sydney, New South Wales, 2000;
 - b. scanning and emailing the proxy form to admin@malabarresources.com.au; or
 - c. posting the proxy form to the Company at PO Box R864, Royal Exchange, New South Wales, 1225 so that it is received no later than 10.00am (Sydney time) on Tuesday, 24 November 2020. Proxy forms received later than this time will be invalid.
9. Chapter 2C of the Corporations Act requires information about you as a Shareholder (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.