



**NOTICE OF ANNUAL GENERAL MEETING**

**EXPLANATORY STATEMENT**

**AND PROXY FORM**

**The Second Annual General Meeting of  
Torque Metals Limited  
ABN 44 621 122 905**

**NOTICE OF ANNUAL GENERAL MEETING**

Notice is given that the Annual General Meeting of Torque Metals Limited will be held at Bentleys, London House, Level 3, 216 St. Georges Terrace, Perth on Monday 2<sup>nd</sup> December 2019 at 11.30 am.

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

*Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on 0421 977 617*

**VOTING IN PERSON**

To vote in person, attend the Annual General Meeting on the date and at the place set out in this Notice of Meeting.

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## **NOTICE OF ANNUAL GENERAL MEETING**

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Notice is given that the Second Annual General Meeting of Shareholders of the Company will be held at Bentleys, London House Level 3, 216 St. Georges Terrace Perth on Monday 2 December 2019 at 11.30am.

The Explanatory Statement that accompanies and forms part of this Notice of General Meeting describes in more detail the matters to be considered. The Explanatory Statement and the proxy form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 5.00 am W.S.T. on Friday 29<sup>th</sup> November 2018.

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## **AGENDA**

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### **ORDINARY BUSINESS**

#### **Financial Reports**

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

The reports referred to above are included in the 2019 Annual Report. A copy of the report is available on the Company's website at [www.torquemetals.com](http://www.torquemetals.com)

#### **Resolution 1 - Election of Director – Mr. Neil W. McKay**

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

*"That Mr. Neil W. McKay, retires as a director in accordance with Clause 6.3(c) of the Constitution and being eligible, offers himself for election, be re-elected as a director of the Company."*

#### **Resolution 2 - Convertible Note to Mrs. Giovanna C. McKay**

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

*"That the Company resolves to confirm the Convertible Note of \$15,200 to be issued to Mrs. Giovanna C. McKay on terms and conditions as set out in the Explanatory Notes."*

#### **Resolution 3 - Convertible Note to Mrs. Catherine A. Finch**

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

*"That the Company resolves to confirm the Convertible Note of \$33,000 to be issued to Mrs. Catherine A. Finch on terms and conditions as set out in the Explanatory Notes."*

By Order of the Board



Neil McKay  
Company Secretary

8 November 2019

## **EXPLANATORY STATEMENT**

### **INTRODUCTION**

This Explanatory Statement has been prepared for the information of members of Torque Metals Limited (“Torque” or “Company”) in connection with the business to be conducted at the Annual General Meeting of Members to be held at Bentleys, London House Level 3, 216 St. Georges Terrace Perth on Monday 2 December 2019 at 11.30 am.

This Explanatory Statement forms part of and should be read in conjunction with the accompanying Notice of Annual General Meeting.

Shareholders should note that all directors approved the proposal to put the resolutions to shareholders as outlined in the Notice of Annual General Meeting and to prepare the Explanatory Statement.

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### **ACTION TO BE TAKEN BY SHAREHOLDERS**

Shareholders should read the Notice including the Explanatory Statement carefully before deciding how to vote on the Resolutions.

#### **Voting in Person**

To vote in person, attend the Meeting on the date and at the place set out above.

#### **Proxies**

To vote by proxy, please complete and sign the enclosed Proxy Form and return:

- By post to Torque Metals Limited, PO Box 27, West Perth, WA 6872
- By email to [admin@torquemetals.com](mailto:admin@torquemetals.com)
- In person to Torque Metals Limited, 4 Glencoe Road, Ardross, WA 6153

Please note that the Proxy form must be received by the Company not later than 11.30 am (WST) on 30 November 2019.

#### (a) Voting by Proxy

A Proxy Form is attached to the Notice. This is to be used by Shareholders, if they wish to appoint a representative (a ‘proxy’) to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions.

Lodgement of a Proxy will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (i) A member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (ii) A proxy need not be a member of the Company; and
- (iii) A member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

#### (b) Proxy vote if appointed specifies the way to vote

Section 250B(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution, if it does:

- (i) The proxy need not vote on a show of hands, but if the proxy does, the proxy must vote that way (i.e. as directed);
- (ii) If the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands;
- (iii) If the proxy is the Chair of the Meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- (iv) If the proxy is not the Chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

#### (c) Transfer of non-chair proxy to chair in certain circumstances.

Section 250BC of the Corporations Act provides that, if:

- (i) An appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company’s members;

- (ii) The appointed proxy is not the chair of the meeting;
- (iii) At the meeting, a poll is duly demanded on the resolution; and
- (iv) Either the proxy is not recorded as attending the meeting or the proxy does not vote on the resolution ,

The Chair of the Meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution of the meeting.

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## FINANCIAL REPORTS

The first item of the Notice of Annual General Meeting deals with the presentation of the Annual Financial Report of the Company for the financial year ended 30 June 2019 together with the Directors' Declaration and Report in relation to that financial year and the Auditor's Report on those financial statements. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

No resolution is required to be moved in respect of this item.

At the Meeting, Shareholders will be offered the opportunity to:

- Discuss the 2019 Annual Report which is available online at [www.torquemetals.com](http://www.torquemetals.com)
- Ask questions about, comment on, the management of the Company; and
- Ask the Company's Auditor, questions about the conduct of the audit and preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's auditor about:

- The preparation and content of the Auditors Report;
- The conduct of the audit;
- 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,

may be submitted no later than 5 Business Days before the Meeting to the Company's registered office – 4 Glencoe Road, Ardross, WA 6153, or by mail – P.O. Box 27, West Peth WA 6872.

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## RESOLUTION 1 – Election of Mr. Neil W. McKay

Mr. McKay was re-appointed as a director of the Company on 31<sup>st</sup> November 2018

Resolution 1 provides for the re-election of Mr. McKay in accordance with Clause 6 of the Constitution. Clause 6.3(c) provides that 1/3<sup>rd</sup> of the Directors must retire at each A.G.M.

The Director to retire is determined at Clause 6.3(e) of the Constitution:

- 6.3(e) (i) those who have held their office as Director for the longest period of time since their election or appointment to that office; and
- 6.3(e) (ii) if two or more directors have held office for the same period of time, the directors determine by lot which one shall stand unless those Directors agree otherwise.

Mr. McKay and Mr. Chang who were both appointed at the previous Annual General Meeting, could not agree and after drawing of the lot, the Director to be re-elected is Mr. McKay.

Details regarding Mr. McKay are set out in the Company's 2019 Annual Report.

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## RESOLUTION 2 – Convertible Note to Giovanna C. McKay

The Company received \$15,200 from Mrs. G. McKay in order to assist in the repayment of a maturing loan to Mr. Chang and so satisfy the terms of the Loan Agreement between Mr. Chang and the Company. The Company received legal advice that Mr. Chang should err on the side of caution and excuse himself from voting in order he not contravene The Corporations Act and be deemed a related party. Mr. McKay is a related party and, in accordance with S228 of the Corporations Act is excluding from casting a vote.

The Company's Constitution, Article 9.5(d) anticipates such a situation and provides that a General Meeting may pass a resolution to deal with this matter.

This being the case, the Directors cannot form a quorum and seek the approval of the Shareholders to resolve to approve the Convertible Note to Mrs. McKay. On the following terms and conditions:

Date of Issue:	3 <sup>rd</sup> September 2019
Sum:	\$15,200
Term:	6 months from the date of issue
Interest Rate:	7.5% p.a. post paid
Exercise:	At the discretion of Mrs. McKay the Convertible Note may be converted to shares in the Company at any time at 6.7 cents per share that will rank equally with all shares on issue.

It should be noted that the above terms are more favourable to that of the Convertible Note issued to a 3<sup>rd</sup> party, who also assisted the Company in repayment of the loan to Mr. Chang and called for interest to be prepaid.

Mr. Finch, being the only director eligible to vote and having no financial interest in the outcome recommends that Shareholders vote in favour of Resolution 2.

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## RESOLUTION 3 – Convertible Note to Catherine A. Finch

The Company received \$33,000 from Mrs. Catherine A. Finch in order to assist in the repayment of a maturing loan to Mr. Chang and so satisfy the terms of the Loan Agreement between Mr. Chang and the Company. The Company received legal advice that Mr. Chang should err on the side of caution and excuse himself from voting in order he not contravene the Corporations Act and be deemed a related party. Mr. Finch is a related party, and in accordance with S228 of the Corporations Act is excluding from casting a vote.

The Company's Constitution, Article 9.5(d) anticipates such a situation and provides that a General Meeting may pass a resolution to deal with this matter

This being the case, the Directors cannot form a quorum and seek the approval of the Shareholders to resolve to approve the Convertible Note to Mrs. Finch. On the following terms and conditions:

Date of Issue:	3 <sup>rd</sup> September 2019
Sum:	\$33,000
Term:	6 months from the date of issue
Interest Rate:	7.5% p.a. post paid
Exercise:	At the discretion of Mrs. Finch the Convertible Note may be converted to shares in the Company at any time, at 6.7 cents per share that will rank equally with all shares on issue.

It should be noted that the above terms are more favourable to that of the Convertible Note issued to a 3<sup>rd</sup> party, who also assisted the Company in repayment of the loan to Mr. Chang and called for interest to be prepaid.

Mr. McKay, being the only director eligible to vote and having no financial interest in the outcome, recommends that Shareholders vote in favour of Resolution 3.

# TORQUE METALS LIMITED

ACN 621 122 905

## PROXY FORM

The Company Secretary  
Torque Metals Limited

**By Email:**  
[admin@torquemetals.com](mailto:admin@torquemetals.com)

**By Post:**  
P.O.Box 27, West Perth WA 6872

**By Delivery:** 4 Glencoe Road, Ardress WA 6153

Name of Shareholder:

Address of Shareholder:

Number of Shares entitled to vote:

Please mark  to indicate your directions. Further instructions are provided overleaf.

Proxy appointments will only be valid and accepted by the Company if they are made and received no later than 48 hours before the Meeting.

### STEP 1 – APPOINT A PROXY TO VOTE ON YOUR BEHALF

I/We being Shareholder/s of the Company hereby appoint:

The Chair of the Meeting (mark box)

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

or failing the person/body corporate named, or if no person/body corporate is named, the Chair of the Meeting, as my/our proxy to act generally at the meeting 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 law, as the proxy sees fit), at the Annual General Meeting of the Company to be held at 11.30 am (Perth time) on Monday, 2 December 2019, at Bentleys, London House, Level 3, 216 St. Georges Terrace, Perth Western Australia and at any adjournment or postponement of that Meeting.

### CHAIR'S VOTING INTENTIONS IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote all undirected proxies in favour of all Resolutions..

### STEP 2 - INSTRUCTIONS AS TO VOTING ON RESOLUTIONS

The proxy is to vote for or against the Resolution referred to in the Notice as follows:

		For	Against	Abstain*
Resolution 1	Appointment – Neil W. McKay			
Resolution 2	Convertible Note – Mrs. G. McKay			
Resolution 3	Convertible Note – Mrs. C. Finch			

If no directions are given my proxy may vote as the proxy thinks fit or may abstain.

\* If you mark the Abstain box for a particular Resolution, 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.

**Authorised signature/s** This section *must* be signed in accordance with the instructions below to enable your voting instructions to be implemented.

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

<sup>1</sup>Insert name and address of Shareholder

<sup>2</sup> Insert name and address of proxy

\*Omit if not applicable

## PROXY NOTES

### 1. Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the Company.

### 2. Votes on items of Business

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities 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 securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the given item, your proxy may, subject to the comments below, vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

- (a) If proxy holders vote, they must cast **ALL** directed proxies as directed; and
- (b) Any directed proxies which are **NOT** voted will automatically default to the Chair, who must vote the proxies as directed.

Further details are set out at the beginning of this Notice of Meeting.

### 3. 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 Secretary 0421 977 617. Or you may copy this form.

To appoint a second proxy you must:

- (a) On each of the Proxy Forms include the percentage of your voting rights or number of securities 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.
- (b) Return both forms together.

### 4. Signing instructions

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that General Meeting, the representative of the body corporate to attend the General Meeting must produce the Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Company's share registry.

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

Joint Holding:	where the holding is in more than one name all of the holders must sign.
Power of Attorney:	if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.
Companies:	a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

### 5. Attending the meeting

Completion of a Proxy Form will not prevent individual members from attending the Meeting in person if they wish. Where a member completes and lodges a valid proxy Form and attends the Meeting in person, the proxy's authority to speak and vote for the member is suspended while the member is present at the Meeting.

If a representative of the corporation is to attend the General Meeting the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company Secretary.

### 6. Lodgement of a Proxy

The signed Proxy Forms (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 received at the address given below not later than 48 hours before the commencement of the Meeting.

**Proxy Forms received later that this time will be invalid.**

#### Documents may be lodged:

Email: [admin@toruqemetals.com](mailto:admin@toruqemetals.com)  
Mail: P.O. Box 27, West Perth, WA 6872  
4 Glencoe Road, Ardross, WA 6153