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**NOTICE OF ANNUAL GENERAL MEETING**

**EXPLANATORY STATEMENT**

**PROXY FORM**

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**DATE THURSDAY, 29 NOVEMBER 2018**

**TIME 10.30 AM**

**VENUE/LOCATION Level 40, 2 PARK ST SYDNEY NSW 2000  
(corner Park and George Streets Sydney)  
(THE OFFICES OF HALL CHADWICK)**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES  
YOUR IMMEDIATE ATTENTION.**

**IF YOU ARE IN ANY DOUBT ABOUT THE ACTION YOU SHOULD TAKE  
PLEASE CONSULT YOUR FINANCIAL ADVISER.**

**Your vote is important**

The business of the Annual General Meeting affects your shareholding and your vote is important.

**Voting in person**

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

**Voting by proxy**

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

TO BE VALID, FORMS OF PROXY FOR USE AT THE GENERAL MEETING MUST BE COMPLETED AND  
RETURNED TO THE COMPANY NO LATER THAN

10:30 AM (SYDNEY TIME) ON, TUESDAY 27 NOVEMBER 2018

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## TO THE SHAREHOLDERS

### A1 Investments & Resources 2017 and 2018

#### 2017-2018 Performance

Despite the best efforts of the Board the performance of your company to 30 June 2018 can only be categorised as poor.

The consolidated entity made a loss after tax of \$1,077,708. Please note that the Annual Report of the company may be fully inspected or downloaded from the company's web site [www.a1investments.com.au](http://www.a1investments.com.au).

Despite this result the Board of your Company is confident the Company is a going concern by virtue of;

- Having met all trading debts in the ordinary course of business or having made appropriate arrangements for payment over time of some trading debts;
- The current fund raising taking place to raise further working capital;
- The provision of short term loans to the consolidated entity by the directors or their related parties; and
- A1 Qualipac Agriculture joint venture (see below) will be cash positive and profitable by 30 June 2019 and will generate sufficient cash for the Company to trade in the ordinary course of business.

In order to secure the Company's future the Board has continued to pursue a low cost operation. The Company continues to focus its overall business strategy on food production for domestic and export consumption. These changes are reflected in the Financial Statement of the Company to 30 June 2018.

The Company advises the shareholders as follows;

#### 1. Qualipac Agriculture

The Company and Qualipac commenced farming on the property, now known as "Hirschbrooke" in late January 2017. The first crop of broccoli was harvested in June 2017 producing over 410 tonnes of high quality broccoli from only 38 hectares of irrigable land on the property.

Qualipac and the company pursued this strategy but the vicissitudes of farming have made production difficult over the 12 months to 30 June 2018. The joint ventures primary onion crop in December 2017 was affected by some residual herbicides in the soil which had not been detected by testing both before the property was purchased and during the farming. The first broccoli crop in early 2018 was affected by an over spray by a nearby owner. At the same time southern Queensland is experiencing its lowest rainfall in almost 50 years.

Qualipac and the Company determined to manage the farming of the property conservatively and to preserve our irrigation water allocation. The property currently has crops of onion, sorghum and barley all of which are due for harvest on or before December 2018.

The Company remains confident of the medium and long term profitability of the Qualipac joint venture and the significant potential of the project.

#### 2. Future Direction

The Company is continuing to examine opportunities as they may be presented.

The Company has previously announced it has entered a heads of agreement to acquire the owner of a lease of an 11,000 hectare livestock and grain property in central Western Australia. Completion of the acquisition remains subject to raising the necessary funds.

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The Company has also announced an expansion of the Qualipac joint venture to southern Australia. This will be a very important development and expansion of the joint venture. The project remains subject to raising the necessary funds.

The Company's future and business plans all hinge on raising further funds.

### 3. Working Capital Loan

In July 2017 the Company has also secured a working capital loan of US\$1 million from Plus JPS in Singapore. Such loan has a maturity date of 31 July 2020. The Company has drawn down this loan to an amount of US\$500,000 and no further drawn down is available.

### 4. Company is a Going Concern

The financial statements have been prepared on a going concern basis because the Company has sufficient cash to continue to trade in the ordinary course of business for some months as at 31 August 2018 the date the Annual Report was filed and published by the ASX. The Company's management recognises that without further cash the Company may not be able to trade and the current fund raising is critical to the Company. The Company has also been funded by the directors or their related parties.

### 5. The Company is confident of the following;

- A1 Investments Operations Pty Limited the wholly owned subsidiary of the Company which is the joint venture partner of Qualipac Agriculture being cash positive and profitable by 30 June 2019;
- the A1 Qualipac Agriculture joint venture will generate sufficient cash to pay all interest on all loans including the current loan of \$350,000 and the loan from Plus JPS Pte Limited; and
- The A1 Qualipac joint venture will generate sufficient cash after the payments on all loans including the current loan of \$350,000 and loan from Plus JPS for the Company to continue to trade in the ordinary course of business.

### Financial Position for the Future

This next financial year, 2018-2019 has commenced with the Company solvent but requiring further working capital in the near term, and with potential to build on the food business in the Qualipac joint venture and the new business in Western Australia. There is no doubt that further profitable businesses are still required or an expansion of the Qualipac A1 Operations joint venture for the Company to be able to generate profits in the medium and long term. We have several projects of real potential and substance available subject to further funding.

The current cash position of the Company is not acceptable.

We have not utilised the special placing capacity in the year to date but we are requesting shareholders again approve this position (Resolution 4).

I thank all our shareholders for their support and I look forward with enthusiasm to 2018-19 and beyond.

Kind regards



**Peter Ashcroft**

**Chairperson**

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## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders of A1 Investments & Resources Ltd ABN 44 109 330 949 (**AYI** or the **Company**) will be held at Level 40, 2 Park St Sydney NSW 2000, at 10:30 am (Sydney time) on, Thursday, 29 November 2018 for the purpose of transacting the business set out in this Notice.

Defined terms used in this Notice of Annual General Meeting have the meanings given to them in the Glossary accompanying this Notice.

### ORDINARY BUSINESS

#### 1. FINANCIAL, DIRECTORS' AND AUDITOR'S REPORTS

To receive and consider the Financial Reports, the Directors' Report and the Auditor's Report for the Company for the year ended 30 June 2018.

The A1 Investments & Resources Ltd 2018 Annual Report can be viewed online at the Company's website [www.a1investments.com.au](http://www.a1investments.com.au)

#### 2. ELECTION OF DIRECTORS

To elect 1 director, namely:

(a) Mr Takashi Araya

who was appointed as a director on 6 April 2018 and, being eligible, offers himself for election.

#### 3. REMUNERATION REPORT

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

*"That the Remuneration Report of the Company for the year ended 30 June 2018 as set out in the Company's Annual Report be adopted."*

**Notes:**

- Shareholders should be aware that the vote on this resolution is advisory only and does not bind the Directors or the Company.
- 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.
- 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 'spill resolution' that another meeting be held within 90 days at which all of the Company's directors (other than the managing director) must go up for re-election.

### SPECIAL BUSINESS

#### 4. APPROVAL OF 10% PLACING CAPACITY (SPECIAL RESOLUTION)

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

*"That pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, shareholders approve the issue of securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms as described in the Explanatory Memorandum."*

#### Determination of membership and voting entitlement

For the purpose of determining a person's entitlement to vote at the Annual General Meeting, a person will be recognised as a member of the Company and the holder of Shares if that person is registered as a holder of those Shares at 10:00 am (Sydney time) on Tuesday 20 November 2018.

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### Votes of members

On a show of hands, each member present in person or by proxy or, in the case of a body corporate, by a representative at the Annual General Meeting shall have one vote.

On a poll, every member present in person or by attorney or by proxy (or, in the case of a body corporate, by a representative) shall have one vote for each Share held by him, her or it provided that all Shares are fully paid.

### Proxies

Please note that:

- (b) a member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of the member;
- (c) where the member is entitled to cast two or more votes, the member may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise;
- (d) if the member appoints two proxies and the appointment does not specify the proportion or number of the member's votes each proxy may exercise, each proxy may exercise half of the votes;
- (e) a proxy need not be a member;
- (f) an instrument of proxy deposited or received at the registered office of the Company in which the name of the appointee is not filled in shall be deemed to be given in the favour of the chairman of the Annual General Meeting to which it relates; and
- (g) to be effective, the instrument of appointment of a proxy (and power of attorney or other authority, if any, under which it is signed or a certified copy of the power or authority) must be deposited with the Company or be received by facsimile on facsimile number (02) 9232 8883 not less than 48 hours prior to the Annual General Meeting, that is, by 10:00 am (Sydney time) on Tuesday 20 November 2018.

### Proxies that are undirected

- (a) All undirected proxies held by the Chairman of the meeting will be voted in favour of all proposed resolutions, except for Item 3 Remuneration Report.
- (b) All undirected proxies held by the Chairman of the meeting will not be voted on Item 3 (Remuneration Report). Accordingly if you appoint the Chairman of the meeting as your proxy you should direct him how to vote on Item 3 (Remuneration Report) if you want your shares to be voted on that item of business. The same will apply if you appoint any other director of the Company any of its key management personnel or any of their closely related parties as your proxy and do not direct them how to vote on Item 3 (Remuneration Report). Key management personnel of the Company are the directors of the Company and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company indirectly or directly. The Remuneration Report identifies the Company's key management personnel for the financial year to 30 June 2018. Their closely related parties are defined in the Corporations Act 2001 and include certain of their family members, dependants and companies they control.

A form of proxy accompanies this Notice of Annual General Meeting.

By Order of the Board



**Charlie Nakamura**

Managing Director

Dated: 18 October 2018, Sydney

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## EXPLANATORY MEMORANDUM

### INTRODUCTION

This Explanatory Memorandum contains the information needed for the members of the Company to assess the items of business to be considered at the Annual General Meeting of the Company on Thursday, 29 November 2018.

This Explanatory Memorandum, as well as the Notice of Annual General Meeting, should be read carefully and in their entirety.

### 1. ITEM 1 ON THE AGENDA – FINANCIAL REPORTS

The Corporations Act requires the Financial Report, the Directors' Report and the Auditor's Report to be received and considered by members of the Company at the Annual General Meeting. Each of the Reports is contained in the Company's 2018 Annual Report.

Neither the Corporations Act nor the Company's Constitution requires members to vote on these Reports. However, during this item of business, the members will be given a reasonable opportunity to ask questions about, or make comments on, those Reports and the business and management of the Company.

Members will also be given a reasonable opportunity to ask a representative of the Company's auditor Hall Chadwick Chartered Accountants, questions relevant to 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 financial statements or the independence of the auditor in relation to the conduct of the audit.

Members may also submit a written question to Hall Chadwick Chartered Accountants, if the question is relevant to the content of the Auditor's Report for the financial year ended 30 June 2018 or the conduct of the audit of the Financial Report for that year. Relevant questions may be submitted to Hall Chadwick Chartered Accountants, by emailing [dtownsend@hallchadwick.com.au](mailto:dtownsend@hallchadwick.com.au). These questions must be received by the auditor no later than Tuesday, 20 November 2018. At the meeting, Hall Chadwick Chartered Accountants' representative will be given the opportunity to answer, or table written answers to, relevant questions.

### 2. ITEM 2 ON THE AGENDA – ELECTION OF DIRECTOR

Mr Takashi Araya was appointed to the Board on 6 April 2018 retires and being eligible offers himself up for election as a director.

The Board (with Mr Araya abstaining in respect of his own election) supports the election of Mr Takashi Araya.

The experience, qualifications and other information about the candidate appears below:

**Takashi Araya**, age 59

Term of office: Joined the Board in April 2018

Independent: Yes

Experience: Managing Director and Chief Executive Officer

Mr Araya is a professional company director who has long term connections with Japan, Australia, Singapore and China all being markets in which the Company current operates, exports or are target markets for the immediate future. Mr Araya is the managing director of FIND Pte Limited in Singapore a position he has held since 2007.

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution 2 by Mr Araya. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in

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accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**The Board (excluding Mr Araya) encourages all shareholders to cast their votes on Item 2 and if you choose to appoint a proxy you are encouraged to direct your proxy how to vote on Item 2 by marking on the voting form.**

### **3. ITEM 3 ON THE AGENDA – REMUNERATION REPORT**

The Company's Remuneration Report for the financial year ended 30 June 2018 is set out on pages 6 to 10 of the Company's 2018 Annual Report, and forms part of the Directors' Report for that year. The Remuneration Report contains:

- (a) a discussion of the Board's policy in relation to the nature and level of remuneration of directors, secretaries and senior executives of the Company;
- (b) a discussion of the relationship between the Board's policy and the Company's performance; and
- (c) details of the remuneration paid to each director of the Company, including options issued as part of the remuneration of directors.

In accordance with section 249L(2) of the Corporations Act, the resolution to adopt the Company's Remuneration Report will be put at the Annual General Meeting. The Chairman will give members a reasonable opportunity to inquire and comment on the Remuneration Report. The resolution that the Remuneration Report be adopted will then be put to the vote.

The vote on this resolution will be advisory only and will not bind the Directors or the Company, by virtue of section 250R(3) of the Corporations Act.

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 the votes that are cast are voted against the adoption of the Remuneration Report at two AGMs, shareholders will be required to vote at the second of those AGMs on a resolution ('spill resolution') that another meeting be held within 90 days at which all of the Company's directors (other than the Managing Director) must go up for re-election.

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 Item 3.

Key management personnel of the Company are the directors of the Company and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company indirectly or directly. The Remuneration Report identifies the Company's key management personnel for the financial year to 30 June 2015. Their closely related parties are defined in the Corporations Act 2001 and include certain of their family members, dependants and companies they control.

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution 3 by any person or party who is a director or executive. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**The Board encourages all shareholders to cast their votes on Item 3 (Remuneration Report) and if you choose to appoint a proxy you are encouraged to direct your proxy how to vote on Item 3 (Remuneration Report) by marking on the voting form.**

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#### 4. ITEM 4 ON THE AGENDA – APPROVAL OF 10% PLACING FACILITY SPECIAL RESOLUTION

This resolution adds to the company's placing capacity by the provision of an additional 10%. The effect of this resolution is to provide for further capital raising and flexibility for the Company moving forward.

Listing Rule 7.1A enables an eligible entity to issue Equity Securities up to 10% of its issued ordinary share capital through placements over a 12 month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the eligible entity's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities which may be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (see below).

##### 1. Description of Listing Rule 7.1A

###### a. Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

###### b. Equity Securities

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

The Company, as at the date of the Notice, has on issue the following classes of Equity Securities:

- i. ordinary shares quoted on ASX
- ii. options not quoted on ASX

###### c. Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 10% Placement Period a number of Equity Securities calculated in accordance with the following formula:

##### (A x D) - E

Where:

A is the number of fully paid ordinary shares on issue 12 months before the date of issue or agreement:

- i. plus the number of fully paid ordinary shares issued in the 12 months under an exception in Listing Rule 7.2;
- ii. plus the number of partly paid ordinary shares that became fully paid in the 12 months;
- iii. plus the number of fully paid ordinary shares issued in the 12 months with approval of holders of ordinary shares under Listing Rules 7.1 and 7.4;
- iv. less the number of fully paid ordinary shares cancelled in the 12 months.

*(Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.)*

**D is 10%**

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

###### d. Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice, the Company has on issue 10,807,266,550 ordinary shares and therefore has a capacity to issue:

- i. 1,621,089,982 Equity Securities under Listing Rule 7.1; and
- ii. subject to shareholder approval being obtained under this Resolution 4, 1,080,726,655 Equity Securities under Listing Rule 7.1A.

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- iii. The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2.

**e. Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before;

- i. the date on which the price at which the Equity Securities are to be issued is agreed; or
- ii. if the Equity Securities are not issued within five Trading Days of the date referred to in section (e)(i), the date on which the Equity Securities are issued.

**f. 10% Placement Period**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- i. the date that is 12 months after the date of the annual general meeting at which the approval is obtained; and
- ii. the date of the approval by shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

**(10% Placement Period).**

**g. Listing Rule 7.1A**

The effect of Resolution 4 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period in addition to using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 4 is a special resolution and therefore requires approval of at least 75% of the votes cast by shareholders entitled to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative) on the Resolution.

**h. Specific information required by Listing Rule 7.3A**

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows to the extent that such information is not disclosed elsewhere in this Explanatory Memorandum:

- i. The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities in the same class over the 15 Trading Days on which trades in that class were recorded immediately before:
  - 1. the date on which the price at which the Equity Securities are to be issued is agreed; or
  - 2. if the Equity Securities are not issued within five Trading Days of the date in paragraph 1.4(a)(i), the date on which the Equity Securities are issued.
- ii. There is a risk that:
  - 1. the market price for the Company's Equity Securities in the same class may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting, although unlikely as the market price of the Company's Equity Securities is \$0.001 on 17 October 2018 and trading on the ASX is not permitted below this price; and
  - 2. the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities in the same class on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the risk of voting dilution of existing shareholders on the basis of the current market price of shares and the current number of ordinary shares for variable 'A' calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

- iii. The table also shows:

- 1. three examples where variable 'A' is at the current market price and where it has increased, by 100% (\$0.002 issued price) and 200% (\$0.003 issue price). Variable 'A' is based on the number of ordinary shares the Company has on issue. The number of ordinary shares on issue may increase as a result of issues of ordinary shares that do not require shareholder approval (for example, a pro rata entitlements issue) or future specific placements under Listing Rule 7.1 that are approved at a future shareholders' meeting;
- 2. an example of where the issue price of ordinary shares has decreased by 25% as against the current market price;
- 3. three examples where variable "A" was the current market price, an issue price of \$0.002 and an issue price of \$0.003 and where prior to the issue under Listing Rule 7.1A there had been an issue of 15% of the shares of the company under Listing Rule 7.1; and

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	Funds raised	\$540,363	\$810,545	\$1,080,727	\$2,161,453	\$3,242,180
Total shares on issue	After 10% dilution	22,695,259,755	22,695,259,755	22,695,259,755	22,695,259,755	22,695,259,755

The table has been prepared on the following assumptions:

1. The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
2. No current options are exercised into shares before the date of the issue of the Equity Securities.
3. 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%.
4. The table does not show an example of dilution that may be caused to a particular shareholder by reason of placements pursuant to the 10% Placement Facility, based on that shareholder's holding at the date of the Meeting.
5. The issue of Equity Securities under the 10% Placement Facility consists only of shares. The issue price is \$0.001, being the closing price of the shares on ASX on 17 October 2018.
6. The table also shows the voting dilution where the company has also issued the full amount of shares under its placing capacity pursuant to Listing Rule 7.1, that is further 15%.
7. The table also shows an example where the number of shares on issue has doubled when the issue under Rule 7.1A is undertaken.
  - ii. The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 4 for the issue of the Equity Securities will cease to be valid in the event that shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
  - iii. The Company may seek to issue the Equity Securities for the following purposes:
    1. non-cash consideration for the acquisition of new assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as referred to in the Note to Listing Rule 7.1A.3; or
    2. cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued exploration expenditure on the Company's current assets and/or general working capital.
  - iv. The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.
  - v. The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities and the number of Equity Securities allotted to each will be determined on a case-by-case basis having regard to factors including, but not limited to, the following:
    1. the methods of raising funds that are available to the Company including, but not limited to, rights issue or other issue in which the existing security holders can participate;
    2. the effect of the issue of the Equity Securities on the control of the Company;
    3. the financial situation and solvency of the Company; and
    4. advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new assets or investments or the nominee of such vendors.
  - vi. A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing shareholder's votes will therefore be excluded under the voting exclusion statement in the Notice.

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- vii. In accordance with Listing Rule 7.3A.6 the Company confirms that it sought and obtained shareholder approval under Listing Rule 7.1A at the Annual General Meeting of the company on 29 November 2018. The company has not used any of this additional placing capacity under such approval.

Details of All Previous Equity Issues in the 12 months preceding the meeting as required by Listing Rule 7.3A.6.

Total number of shares on issue 12 months prior to this Notice of meeting	Total Number of Equity Issues in the 12 months prior to this Notice of meeting	Total number of shares on issue at the date of the Notice of meeting	Percentage of new equity as compared to the number of shares on issue 12 months prior to this meeting
10,807,266,550	nil	10,807,266,550	N.A.

Resolution 4 is a **special resolution**.

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution 4 by any person or party who may participate in the proposed issue and any person who will obtain a material benefit as result of the proposed issue (except a benefit solely by reason of being a holder of ordinary securities and the associates of any such person if the resolution is passed. .However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**The Board recommends this resolution to the shareholders.**

The A1 Investments & Resources Ltd 2018 Annual Report can be viewed online at the Company's website [www.a1investments.com.au](http://www.a1investments.com.au).

If you have any questions after reading this information, please do not hesitate to contact Charlie Nakamura on (02) 9114 6888 during normal business hours.

#### Glossary

The following definitions are used in the Notice of Annual General Meeting and the Explanatory Memorandum:

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

**Company** or **AYI** means A1 Investments & Resources Ltd ABN 44 109 330 949;

**Corporations Act** means the *Corporations Act* 2001 (Cth);

**Directors** means the directors of the Company;

**Share** means a fully paid ordinary share in the issued capital of the Company and **Shares** means any two or more of them

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