

TO THE SHAREHOLDERS

A1 Investments & Resources 2018 and 2019

2018-2019 Performance

The consolidated entity made a loss after tax of \$2,575,682. 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. When considering this loss the Company in the released accounts to 30 June 2019 directed all shareholders to refer to the comments on the loss on conversion of the loans to equity, whereby the conversion of the Plus JPS loan to equity incurred a loss of \$1,322,442, and conversion of the Koriyakawakyu loan to equity incurred a loss of \$591,311, being a total loss of \$1,913,753 on both conversions.

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 2020, the company's new sea cucumber business known as Blue Ocean Health 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 and seafood related business for domestic and export consumption. These changes are reflected in the Financial Statement of the Company to 30 June 2019.

The Company advises the shareholders as follows;

1. Qualipac Agriculture

The Qualipac farming joint venture continued through the year to 30 June 2019 on the property, now known as "Hirschbrooke". The whole of south eastern Australia including the Darling Downs where Hirschbrooke is located had two years of severe drought. The joint venture was fortunate in that it had irrigation water which permitted farming to continue on the property throughout but at a lower than planned intensity.

Qualipac and the Company pursued this strategy but the vicissitudes of farming have made production difficult over the 12 months to 30 June 2019. To better manage the limited water resources the joint venture undertook some limited grain farming to supplement our primary horticulture strategy. Although our grain yields were acceptable the revenue generated did not justify the efforts with most crops breaking even as to costs and revenue and the Board determined in consultation with Qualipac to abandon future grain crops in favour of an only horticulture product strategy.

Qualipac and the Company determined to manage the future farming of the property conservatively and to preserve the property's irrigation water allocation. Unfortunately the owners of the property determined to sell the property in May 2019 and settlement is due in December 2019. The owner of the property is a wholly owned subsidiary of WIN Corporation Japan which had been a previous major investor and shareholder in the Company which made a decision to no longer support the Company. WIN Corporation and its subsidiary Fulfilment Japan were in significant financial difficulties and WIN Corporation determined to withdraw from Australia.

The Company and Qualipac have determined to examine other properties in the area to continue the venture and to again examine the opportunities available in Tasmania.

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.

Bundybunna

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 is anticipated prior to the date of the AGM but it dependent on the termination of the winding up of the owner of the property, Bundybunna Aboriginal Corporation Limited (in liquidation) ("BACLL"). The Company and its executive directors have provided all assistance required by the members of BACLL to facilitate the termination of the winding up and the Company has a reasonable expectation this will take place before the AGM or immediately thereafter.

The Company has engaged professional farming consultants to assist in the management of Bundybunna in the future. Our initial program is to expand the areas under grain cultivation to immediately improve the revenue of the project. The second phase is to repair the water infrastructure which will allow the grazing of livestock, both sheep and cattle. The property's best potential is as a mixed grain and livestock farm.

The Notice of Meeting in Resolution xx seeks shareholder approval to the issue of ordinary shares in the Company to a value of \$142,010.50 for the purchase of Resi Property Holdings Pty Limited, the owner of the lease of Bundybunna.

Qualipac Joint Venture

The Company is continuing to examine the expansion of the Qualipac joint venture to southern Australia whilst seeking at least one property on the Darling Downs for leasing. Further operations on the Darling Downs have been deferred until some reliable rain begins to fall. The whole of south eastern Queensland remains in severe drought and until there is some change in this position we will not incur any further costs in the Toowoomba region. We remain fundamentally confident of the Company's overall horticulture strategy but it must fit within the constraints and the risks we are prepared to take. Any further expansion into another region will dependent on available funds.

Blue Ocean Health

As at 30 June 2019 this business was only in the planning stage. The Company has recently signed a terms sheet for the establishment of sea cucumber production business with Tidal Moon Pty Limited a commercial fishing company owned and controlled by Aboriginal persons with a Ministerial exemption to having a Western Australian fishing licence for harvesting sea cucumbers over 1000 klm of coast in central Western Australia. The Company and Tidal Moon will form a joint held company to be called Tidal Moon Seafoods Pty Limited which will acquire all the production of sea cucumbers from Tidal Moon, and thereafter process sea cucumber for sale in Australia and offshore. Blue Ocean Health proposes selling 80% of the production of Tidal Moon Seafood to Blue Ocean International (Singapore) for sale after further processing as a health and beauty supplement primarily to China, Japan and South Korea.

Blue Ocean Health will arrange for the production of health supplements and beauty additives from the dried sea cucumber produced in Western Australia.

The Company proposing raising further funds in the short term by way of placement or loans to secure the initial working capital needs of Blue Ocean Health.

The Notice of Meeting in Resolution xx seeks shareholder approval to the issue of ordinary shares in the Company to a value of \$400,000 for entry into the joint venture and the issue of shares to the Company in Tidal Moon Seafoods Pty Limited.

North Japan Development

The Company is pursuing the purchase of this investment but some planning delays to the final approval to the operations in northern Honshu have delayed finalisation of the purchase.

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 26 August 2019 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 and future fund raising is critical to the Company. The Company has also been funded by the directors or their related parties.

The Company is confident of the following;

- Completing the acquisition of Resi Property and the commencement of Company operations on Bundybunna;
- The continuation of the Qualipac joint venture;
- The completion of the joint venture documents in respect to Tidal Moon Seafoods and the commencement of a major sea cucumber project in Western Australia.; and
- The continued support by way of placements and loans from a group of existing and new professional investors.

Financial Position for the Future

This next financial year, 2019-2020 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 businesses 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.

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 2019-20 and beyond.

Kind regards



Peter Ashcroft

Chairperson

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, Tuesday 26 November 2019 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 2019.

The A1 Investments & Resources Ltd 2019 Annual Report can be viewed online at the Company's website www.a1investments.com.au

2. ELECTION OF DIRECTORS

To elect 2 directors, namely:

RESOLUTION 2.1

Mr Massa Ito

who was appointed as a director on 10 April 2019 and, being eligible, offers himself for election.

Voting Exclusion: The Company will disregard any votes cast on this Resolution 2.1 by Mr Ito. 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.

RESOLUTION 2.2

Mr Peter Ashcroft

who retires in accordance with the Company's Constitution and, being eligible, offers himself for re-election.

Voting Exclusion: The Company will disregard any votes cast on this Resolution 2.1 by Mr Ito. 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.

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 2019 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.
- To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

4. PROPOSED PLACEMENT ISSUE IN RESPECT TO THE PURCHASE OF RESI PROPERTY HOLDINGS

PROPOSED ISSUE TO THE SHAREHOLDERS OF RESI PROPERTY HOLDINGS PTY LIMITED

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes the, Shareholders approve a placement of \$142,010.50 and the allotment and issue of 532,539,434 ordinary shares in the Company at an issue price of \$0.0004 per share (0.004 cents per share) to the shareholders of Resi Property Holdings Pty Limited as set out in the Explanatory Statement and on the terms and conditions as summarised in the accompanying Explanatory Statement.”

Voting Exclusion: The Company will, in accordance with the Listing Rules of ASX, disregard any votes cast on this Resolution 4 by any person or party who is expected to 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.

5. PROPOSED PLACEMENT ISSUE TO GLOBAL DISH

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve a placement of \$200,000 and the allotment and issue of 1,428,571,428 ordinary shares in the Company at an issue price of \$0.00014 per share (0.014 cents per share) to Global Dish Co., Limited or its nominee, on the terms and conditions as summarised in the accompanying Explanatory Statement.”

Voting Exclusion: The Company will, in accordance with the Listing Rules of ASX, disregard any votes cast on this Resolutions 5 by any person or party who is expected to 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.

6. PROPOSED PLACEMENT ISSUE TO MSK

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve a placement of \$200,000 and the allotment and issue of 1,428,571,428 ordinary shares in the Company at an issue price of \$0.00014 per share (0.014 cents per share) to MSK Holdings Co., Limited or its nominee, on the terms and conditions as summarised in the accompanying Explanatory Statement.”

Voting Exclusion: The Company will, in accordance with the Listing Rules of ASX, disregard any votes cast on this Resolutions 6 by any person or party who is expected to 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.

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7. PROPOSED PLACEMENT ISSUE TO GREEN ECO ENERGY

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve a placement of \$200,000 and the allotment and issue of 1,428,571,428 ordinary shares in the Company at an issue price of \$0.00014 per share (0.014 cents per share) to Green Eco Energy Asset Management Co., Limited or its nominee, on the terms and conditions as summarised in the accompanying Explanatory Statement.”

Voting Exclusion: The Company will, in accordance with the Listing Rules of ASX, disregard any votes cast on this Resolutions 7 by any person or party who is expected to 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.

8. PROPOSED PLACEMENT ISSUE TO ASHWARE HOLDINGS

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve a placement of \$100,000 and the allotment and issue of 714,285,714 ordinary shares in the Company at an issue price of \$0.00014 per share (0.014 cents per share) to Ashware Holdings Pty Limited or its nominee, on the terms and conditions as summarised in the accompanying Explanatory Statement.”

Voting Exclusion: The Company will, in accordance with the Listing Rules of ASX, disregard any votes cast on this Resolutions 8 by any person or party who is expected to 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.

9. PROPOSED PLACEMENT ISSUE IN RESPECT TO THE ENTRY INTO THE TIDAL MOON SEAFOODS JOINT VENTURE

RESOLUTION 9.1

PROPOSED ISSUE TO TIDAL MOON PTY LIMITED

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes the, Shareholders approve a placement of \$200,000 and the allotment and issue of 500,000,000 ordinary shares in the Company at an issue price of \$0.0004 per share (0.004 cents per share) to Tidal Moon Pty Limited on the terms and conditions as summarised in the accompanying Explanatory Statement.”

Voting Exclusion: The Company will, in accordance with the Listing Rules of ASX, disregard any votes cast on this Resolution 9.1 by any person or party who is expected to 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.

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RESOLUTION 9.2

PROPOSED ISSUE TO 189 CORPORATE PTY LIMITED

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes the, Shareholders approve a placement of \$200,000 and the allotment and issue of 500,000,000 ordinary shares in the Company at an issue price of \$0.0004 per share (0.004 cents per share) to 189 Corporate Pty Limited on the terms and conditions as summarised in the accompanying Explanatory Statement.”

Voting Exclusion: The Company will, in accordance with the Listing Rules of ASX, disregard any votes cast on this Resolution 9.2 by any person or party who is expected to 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.

SPECIAL BUSINESS

10. 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.”

Voting Exclusion: The Company will, in accordance with the Listing Rules of ASX, disregard any votes cast on this Resolution 10 by any person or party who is expected to 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.

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 10:30 am (Sydney time) on Sunday 24 November 2019.

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:

- (a) 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;
- (b) 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;
- (c) 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;
- (d) a proxy need not be a member;
- (e) 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

- (f) 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 10:30 am (Sydney time) on Sunday 24 November 2019.

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 2019. 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: 17 October 2019, Sydney

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 Tuesday, 26 November 2019.

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 2019 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 2019 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. These questions must be received by the auditor no later than Friday, 22 November 2019. 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 DIRECTORS

RESOLUTION 2.1

Mr Massa Ito was appointed to the Board on 10 April 2019 retires and being eligible offers himself up for election as a director.

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

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

Massa Ito, age 55

Term of office: Joined the Board in April 2019

Independent: Yes

Experience: Managing Director and Chief Executive Officer

Date of birth 16 January 1964

Mr Itoh has been managing director of a substantial private trading company, A Product Co., Ltd in Tokyo. A Product operates divisions centred on importing, wholesaling and retail. His association with Australia commenced in 1987 when he was the marketing manager of Tourism Queensland from 1987 to 1997. Mr Itoh will bring a wealth of trading and experience to the Board of A1.

The Board (excluding Mr Ito) encourages all shareholders to cast their votes on Item 2.1 (Election of Mr Ito as a director) in favour of the Resolution and if you choose to appoint a proxy you are encouraged to direct your proxy how to vote on Item 2.1 (Election of Mr Ito as a director) in favour of the Resolution by marking on the voting form.

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RESOLUTION 2.2

Mr Peter Ashcroft was appointed to the Board in 2011 and he retires in accordance with rotation provisions of the Company's Constitution and being eligible offers himself up for re-election as a director.

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

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

Peter Ashcroft, age 67

Term of office: Joined the Board in 2011.

Independent: No

Experience: Chairperson, Company Secretary and chief executive officer, public company Director

Date of birth 4 October 1952

Mr Ashcroft was a practicing commercial lawyer for 35 years but no longer practices. He was a specialist commercial lawyer with a focus on competition law, resources law, industrial law, contract law and commercial litigation. Mr Ashcroft has been a public company director of numerous small to medium size listed companies for the past 10 years. Mr Ashcroft occupies the roles of Chairperson and company secretary of the company and his experience, common sense, commercial expertise have been invaluable to the company for many years.

The Board (excluding Mr Ashcroft) encourages all shareholders to cast their votes on Item 2.2 (Election of Mr Ashcroft as a director) in favour of the Resolution and if you choose to appoint a proxy you are encouraged to direct your proxy how to vote on Item 2.2 (Election of Mr Ashcroft as a director) in favour of the Resolution 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 2019 is set out on pages 7 to 11 of the Company's 2019 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.

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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.

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

4. PROPOSED PLACEMENT ISSUE IN RESPECT TO THE PURCHASE OF RESI PROPERTY HOLDINGS

PROPOSED ISSUE TO THE SHAREHOLDERS OF RESI PROPERTY HOLDINGS PTY LIMITED

The Company seeks approval for a placement of \$142,010.50 and the allotment and issue of 532,539,434 ordinary shares in the Company at an issue price of \$0.0004 per share (0.0004 cents) to 189 Corporate Pty Limited as to 426,031,547 ordinary shares and 106,507,887 to Ashware Holdings Pty Limited. The amount of \$142,010.50 was the consideration agreed to be paid to the shareholders of Resi Property Holdings Pty Limited for the sale of the all the shares in such company to the Company. No cash is being paid to the Company in respect to the proposed issue under this Resolution 4. The issue is subject to;

- i. the termination of the winding up of Bundybunna Aboriginal Corporation Limited (in liquidation); and thereafter
- ii. Upon the termination of the liquidation, Bundybunna Aboriginal Corporation entering a lease in favour of Resi Property Holdings in respect to the property known as Bundybunna for a term of 10 years with two five year options.

The shares to be issued pursuant to this resolution, if approved by the shareholders will rank equally with all other ordinary share of the Company currently on issue. The Company directs your attention to the Table A and Table B in the Explanatory Memorandum to Resolution 5.

Pursuant to and in accordance with ASX Listing Rule 7.3 the following information is provided in relation to the Placement set out in this Resolution 4;

- (a) The maximum number of shares to be issued pursuant to Resolutions 4, is 532,539,434;
- (b) The shares will be issued no later than 3 months after the date of the meeting (or such later date to the extent permitted by an ASX waiver or modification of the ASX Listing rules) and it is intended that issue of the shares will occur on the same date;
- (c) The deemed issue price is \$0.0004 per share;
- (d) The shares will be issued to 189 Corporate Pty Limited or its nominees and Ashware Holdings Pty Limited or its nominees as set out above;
- (e) The shares issued will be fully paid in the capital of the Company issued on the same terms and conditions as the Company's existing shares.

The Board encourages all shareholders to cast their votes on Item 4 (Placement in Respect to Acquisition of Resi Property) in favour of the Resolution and if you choose to appoint a proxy you are encouraged to direct your proxy how to vote on Item 4 (Placement in Respect to Acquisition of Resi Property) in favour of the Resolution by marking on the voting form.

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5. PROPOSED PLACEMENT ISSUE TO GLOBAL DISH

The Company seeks approval for a placement of \$200,000 and the allotment and issue of 1,428,571,428 ordinary shares in the Company at an issue price of \$0.00014 per share (0.0014 cents) to *Global Dish Co., Limited* or its nominee. The funds have been used for general working capital of the Company and to pay the Company's contribution to the initial funding of the Tidal Moon Seafoods joint venture. The payment to Tidal Moon and Tidal Moon Seafoods as agreed by the Company was that the Company would pay for dried sea cucumber in advance of its receipt. This arrangement would provide both Tidal Moon and Tidal Moon Seafoods with adequate working capital to commence the operations contracted under the joint venture.

The shares the subject of Resolutions 5, 6, 7 and 8 will be issued at \$0.00014, which equates to 1,428,571,428 ordinary shares in respect to each resolution being 1,428,571,428 shares to *Global Dish Co., Limited*, 1,428,571,428 to *MSK Holdings Co., Limited*, 1,428,571,428 shares to *Green Eco Energy Asset Management Co., Limited* and 714,285,714 to *Ashware Holdings Pty Limited*. Such shares will rank equally with all other ordinary shares of the Company currently on issue. After the issue of the shares in this Notice, the proportion of shares held by *Global Dish Co., Limited* pursuant to the approval of Resolution 5 and the issue will be 13.89%.

The Board of the Company is satisfied that *Global Dish Co., Limited*, *MSK Holdings Co., Limited* and *Green Eco Energy Asset Management Co., Limited* are not associated or related companies pursuant to s.9 and 50 of the Corporations Act.

The Company confirms that at the date of this Notice the Company is in receipt of all placement funds the subject of Resolution 5 but not all the funds the subject of Resolutions 6, 7 and 8. The following tables have been prepared by the Company to assist shareholders to understand the effect of the further issues and the dilution of existing shareholders.

The Table A must be read in conjunction with the proposed issue of shares referred to in Resolutions 4, 5, 6, 7 and 8 and Table B (which relates to the placements in Resolution 4, 5, 6, 7 and 8). Table A is a table of the current position of the Company. Table B will be the position of the Company after all the issues in Resolutions 4, 5, 6, 7 and 8. In respect to Table B all the funds the subject of cash placements in resolutions 6, 7 and 8 have not been received by the Company at the date of the Notice but the company fully expects to receive the funds within 3 months of the Meeting.

TABLE A
CURRENT CAPITAL STRUCTURE OF THE COMPANY

		Percentage of Total
Current shares	24,015,600,164	100
Shares currently held by Global Dish	2,815,843,821	11.73
Shares currently held by MSK	938,614,604	3.91
Shares currently held by Green Eco	2,232,142,857	9.29
Shares currently held by KING FAME	3,925,000,000	16.35
Shares held by WIN Corporation	4,850,000,000	20.2
Shares currently held by the remaining shareholders	9,253,998,882	38.52

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TABLE B

FUTURE CAPITAL STRUCTURE OF THE COMPANY (RESOLUTION 4, 5, 6, 7 AND 8)

COMPARISON OF CLASSES OF SHAREHOLDERS' INTERESTS AFTER THE PLACEMENTS TO GLOBAL DISH, MSK HOLDINGS, RESI SHAREHOLDERS, TIDAL MOON, 189 CORPORATE AND ASHWARE HOLDINGS

		Percentage of Total
Current shares	24,015,600,164	
Shares currently held by WIN Singapore	4,850,000,000	15.88
Shares currently held by KING FAME	3,925,000,000	12.85
Shares to be issued to Ashware Holdings as a shareholder of Resi Property (Resolution 4)	106,507,887	
Shares to be issued to 189 Corporate as a shareholder of Resi Property (Resolution 4)	426,031,547	
Shares to be issued to Global Dish (Resolution 5)	1,428,571,428	
Shares held by Global Dish after the issue pursuant to the approval in Resolution 5	4,244,415,249	13.89
	2,815,843,821 + 1,428,571,428	
Shares to be issued to MSK Holdings (Resolution 6)	1,428,571,428	
Shares held by MSK Holdings after the issue pursuant to the approval in Resolution 6)	2,367,186,032	7.75
	938,614,604 + 1,428,571,428	
Shares to be issued to Green Eco Energy (Resolution 7)	1,428,571,428	
Shares held by Green Eco Energy after the issue pursuant to the approval in Resolution 7	3,660,714,285	11.98
	2,232,142,857 + 1,428,571,428	
Shares to be issued to Ashware Holdings (Resolution 8)	714,285,714	
Shares held by Ashware Holdings after the issues pursuant to the approvals in Resolutions 4 and 8	820,793,601	2.69
	714,285,714 + 106,507,887	
Shares to be issued to Tidal Moon (Resolution 9.1)	500,000,000	1.64
Shares to be issued to 189 Corporate (Resolution 9.2)	500,000,000	
Shares held by 189 Corporate after the issues pursuant to the approvals in Resolutions 4 and 9.2)	926,031,547	3.03
Total Shares to be issued pursuant to Resolutions 4 to 9 inclusive	6,532,539,432	
Total shares on issue after all placements pursuant to Resolutions 4 to 9 inclusive have been made	30,548,139,596	100

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Change of Control.

The shareholders should be aware that the shareholdings of Global Dish, MSK and Green Eco now amount to 31% of the issued shares. These shareholders are not related or associated and have no arrangements between each other in respect to voting at a general meetings. It is noted that the Board remains as the same after the election of Mr Ito and the re-election of Mr Ashcroft. There can be no guarantee that this arrangement for the structure of the Board will continue. Global Dish, MSK and Green Eco have all indicated their support separately and collectively for the current business plan of the Company including its expansion to Blue Ocean Health and the production and sale of sea cucumbers. None of these shareholders have expressed any desire to seek to control the Company or further changes to the Board.

Pursuant to and in accordance with ASX Listing Rule 7.3 the following information is provided in relation to the Placement set out in this Resolution 4;

- (a) The maximum number of shares to be issued pursuant to Resolutions 5, is 1,428,571,428;
- (b) The shares will be issued no later than 3 months after the date of the meeting (or such later date to the extent permitted by an ASX waiver or modification of the ASX Listing rules) and it is intended that issue of the shares will occur on the same date;
- (c) The deemed issue price is \$0.00014 per share;
- (d) The shares will be issued to *Global Dish Co., Limited* or its nominees as set out above;
- (e) The shares issued will be fully paid in the capital of the Company issued on the same terms and conditions as the Company's existing shares.

The Board encourages all shareholders to cast their votes on Item 5 (Placement to Global Dish) in favour of the Resolution and if you choose to appoint a proxy you are encouraged to direct your proxy how to vote on Item 5 (Placement to Global Dish) in favour of the Resolution by marking on the voting form.

6. PROPOSED PLACEMENT ISSUE TO MSK HOLDINGS

The Company seeks approval for a placement of \$200,000 and the allotment and issue of 1,428,571,428 ordinary shares in the Company at an issue price of \$0.00014 per share (0.0014 cents) to *MSK Holdings Co., Limited* or its nominee. The funds have been used for general working capital of the Company and to pay the Company's contribution to the initial funding of the Tidal Moon Seafoods joint venture. The payment to Tidal Moon and Tidal Moon Seafoods as agreed by the Company was that the Company would pay for dried sea cucumber in advance of its receipt. This arrangement would provide both Tidal Moon and Tidal Moon Seafoods with adequate working capital to commence the operations contracted under the joint venture.

The shares the subject of Resolutions 5, 6, 7 and 8 will be issued at \$0.00014, which equates to 1,428,571,428 ordinary shares in respect to each resolution being 1,428,571,428 shares to *Global Dish Co., Limited*, 1,428,571,428 to *MSK Holdings Co., Limited*, 1,428,571,428 shares to *Green Eco Energy Asset Management Co., Limited* and 714,285,714 to *Ashware Holdings Pty Limited*. Such shares will rank equally with all other ordinary shares of the Company currently on issue. After the issue of the shares in this Notice, the proportion of shares held by *MSK Holdings Co., Limited* pursuant to the approval of Resolution 6 and the issue will be 7.81%.

The Board of the Company is satisfied that *Global Dish Co., Limited, MSK Holdings Co., Limited and Green Eco Energy Asset Management Co., Limited* are not associated or related companies pursuant to s.9 and 50 of the Corporations Act.

The Company confirms that at the date of this Notice the Company is in receipt of all placement funds the subject of

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Resolution 5 but not all the funds the subject of Resolutions 6, 7 and 8. The Company directs you to the tables set out in the Explanatory Memorandum in respect to Resolution 5 which were prepared by the Company to assist shareholders to understand the effect of the further issues and the dilution of existing shareholders.

The Table A must be read in conjunction with the proposed issue of shares referred to in Resolutions 4, 5, 6, 7 and 8 and Table B (which relates to the placements in Resolution 4, 5, 6, 7 and 8). Table A is a table of the current position of the Company. Table B will be the position of the Company after all the issues in Resolutions 4, 5, 6, 7 and 8. In respect to Table B all the funds the subject of cash placements in resolutions 6, 7 and 8 have not been received by the Company at the date of the Notice but the company fully expects to receive the funds within 3 months of the Meeting.

The Company directs you to the comments on section titled "Change of Control" in the Explanatory Memorandum in respect to Resolution 5.

Pursuant to and in accordance with ASX Listing Rule 7.3 the following information is provided in relation to the Placement set out in this Resolution 4;

- (a) The maximum number of shares to be issued pursuant to Resolutions 6, is 1,428,571,428;
- (b) The shares will be issued no later than 3 months after the date of the meeting (or such later date to the extent permitted by an ASX waiver or modification of the ASX Listing rules) and it is intended that issue of the shares will occur on the same date;
- (c) The deemed issue price is \$0.00014 per share;
- (d) The shares will be issued to *MSK Holdings Co., Limited* or its nominees as set out above;
- (e) The shares issued will be fully paid in the capital of the Company issued on the same terms and conditions as the Company's existing shares.

The Board encourages all shareholders to cast their votes on Item 6 (Placement to MSK) in favour of the Resolution and if you choose to appoint a proxy you are encouraged to direct your proxy how to vote on Item 5 (Placement to MSK) in favour of the Resolution by marking on the voting form.

7. PROPOSED PLACEMENT ISSUE TO GREEN ECO ENERGY

The Company seeks approval for a placement of \$200,000 and the allotment and issue of 1,428,571,428 ordinary shares in the Company at an issue price of \$0.00014 per share (0.0014 cents) to *Green Eco Energy Asset Management Co., Limited* or its nominee. The funds have been used for general working capital of the Company and to pay the Company's contribution to the initial funding of the Tidal Moon Seafoods joint venture. The payment to Tidal Moon and Tidal Moon Seafoods as agreed by the Company was that the Company would pay for dried sea cucumber in advance of its receipt. This arrangement would provide both Tidal Moon and Tidal Moon Seafoods with adequate working capital to commence the operations contracted under the joint venture.

The shares the subject of Resolutions 5, 6, 7 and 8 will be issued at \$0.00014, which equates to 1,428,571,428 ordinary shares in respect to each resolution being 1,428,571,428 shares to Global Dish Co., Limited, 1,428,571,428 to MSK Holdings Co., Limited, 1,428,571,428 shares to Green Eco Energy Asset Management Co., Limited and 714,285,714 to Ashware Holdings Pty Limited. Such shares will rank equally with all other ordinary shares of the Company currently on issue. After the issue of the shares in this Notice, the proportion of shares held by *MSK Holdings Co., Limited* pursuant to the approval of Resolution 7 and the issue will be 11.98%.

The Board of the Company is satisfied that *Global Dish Co., Limited, MSK Holdings Co., Limited and Green Eco Energy Asset Management Co., Limited* are not associated or related companies pursuant to s.9 and 50 of the Corporations Act.

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The Company confirms that at the date of this Notice the Company is in receipt of all placement funds the subject of Resolution 5 but not all the funds the subject of Resolutions 6, 7 and 8. The Company directs you to the tables set out in the Explanatory Memorandum in respect to Resolution 5 which were prepared by the Company to assist shareholders to understand the effect of the further issues and the dilution of existing shareholders.

The Table A must be read in conjunction with the proposed issue of shares referred to in Resolutions 4, 5, 6, 7 and 8 and Table B (which relates to the placements in Resolution 4, 5, 6, 7 and 8). Table A is a table of the current position of the Company. Table B will be the position of the Company after all the issues in Resolutions 4, 5, 6, 7 and 8. In respect to Table B all the funds the subject of cash placements in resolutions 6, 7 and 8 have not been received by the Company at the date of the Notice but the company fully expects to receive the funds within 3 months of the Meeting.

The Company directs you to the comments on section titled "Change of Control" in the Explanatory Memorandum in respect to Resolution 5.

Pursuant to and in accordance with ASX Listing Rule 7.3 the following information is provided in relation to the Placement set out in this Resolution 4;

- (a) The maximum number of shares to be issued pursuant to Resolutions 7, is 1,428,571,428;
- (b) The shares will be issued no later than 3 months after the date of the meeting (or such later date to the extent permitted by an ASX waiver or modification of the ASX Listing rules) and it is intended that issue of the shares will occur on the same date;
- (c) The deemed issue price is \$0.00014 per share;
- (d) The shares will be issued to *Green Eco Energy Asset Management Co., Limited* or its nominees as set out above;
- (e) The shares issued will be fully paid in the capital of the Company issued on the same terms and conditions as the Company's existing shares.

The Board encourages all shareholders to cast their votes on Item 7 (Placement to Green Eco Energy) in favour of the Resolution and if you choose to appoint a proxy you are encouraged to direct your proxy how to vote on Item 5 (Placement to Green Eco Energy) in favour of the Resolution by marking on the voting form.

8. PROPOSED PLACEMENT ISSUE TO ASHWARE HOLDINGS

The Company seeks approval for a placement of \$100,000 and the allotment and issue of 714,285,714 ordinary shares in the Company at an issue price of \$0.00014 per share (0.0014 cents) to *Ashware Holdings Pty Limited* or its nominee. The funds have been used for general working capital of the Company and to pay the Company's contribution to the initial funding of the Tidal Moon Seafoods joint venture. The payment to Tidal Moon and Tidal Moon Seafoods as agreed by the Company was that the Company would pay for dried sea cucumber in advance of its receipt. This arrangement would provide both Tidal Moon and Tidal Moon Seafoods with adequate working capital to commence the operations contracted under the joint venture.

The shares the subject of Resolutions 5, 6, 7 and 8 will be issued at \$0.00014, which equates to 1,428,571,428 ordinary shares in respect to each resolution being 1,428,571,428 shares to Global Dish Co., Limited, 1,428,571,428 to MSK Holdings Co., Limited, 1,428,571,428 shares to Green Eco Energy Asset Management Co., Limited and 714,285,714 to Ashware Holdings Pty Limited. Such shares will rank equally with all other ordinary shares of the Company currently on issue. After the issue of the shares in this Notice, the proportion of shares held by *Ashware Holdings Pty Limited* pursuant to the approvals of Resolutions 4 and 8 and the issue will be 2.63%.

The Company confirms that at the date of this Notice the Company has not received the placement funds the subject

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of Resolution 8. The Company directs you to the tables set out in the Explanatory Memorandum in respect to Resolution 5 which were prepared by the Company to assist shareholders to understand the effect of the further issues and the dilution of existing shareholders.

The Table A must be read in conjunction with the proposed issue of shares referred to in Resolutions 4, 5, 6, 7 and 8 and Table B (which relates to the placements in Resolution 4, 5, 6, 7 and 8). Table A is a table of the current position of the Company. Table B will be the position of the Company after all the issues in Resolutions 4, 5, 6, 7 and 8. In respect to Table B all the funds the subject of cash placements in resolutions 6, 7 and 8 have not been received by the Company at the date of the Notice but the company fully expects to receive the funds within 3 months of the Meeting.

The Company directs you to the comments on section titled "Change of Control" in the Explanatory Memorandum in respect to Resolution 5.

Pursuant to and in accordance with ASX Listing Rule 7.3 the following information is provided in relation to the Placement set out in this Resolution 8;

- (a) The maximum number of shares to be issued pursuant to Resolutions 8, is 714,285,714;
- (b) The shares will be issued no later than 3 months after the date of the meeting (or such later date to the extent permitted by an ASX waiver or modification of the ASX Listing rules) and it is intended that issue of the shares will occur on the same date;
- (c) The deemed issue price is \$0.00014 per share;
- (d) The shares will be issued to *Ashware Holdings Pty Limited* or its nominees as set out above;
- (e) The shares issued will be fully paid in the capital of the Company issued on the same terms and conditions as the Company's existing shares.

The Board encourages all shareholders to cast their votes on Item 8 (Placement to Ashware) in favour of the Resolution and if you choose to appoint a proxy you are encouraged to direct your proxy how to vote on Item 5 (Placement to Ashware) in favour of the Resolution by marking on the voting form.

9. PROPOSED PLACEMENT ISSUE IN RESPECT TO THE ENTRY INTO THE TIDAL MOON SEAFOODS JOINT VENTURE

The Company seeks approval for two placements each of \$200,000 and the allotment and issue of 1,000,000,000 ordinary shares in the Company at an issue price of \$0.0004 per share (0.0004 cents) to *189 Corporate Pty Limited* as to 500,000,000 ordinary shares (Resolution 9.1) and to *Tidal Moon Pty Limited* as to 500,000,000 ordinary shares (Resolution 9.2). The issue of the shares without any payment of cash to the Company is the consideration for Tidal Moon entering a joint venture with company for the harvesting of sea cucumbers in Western Australia. 189 Corporate provided the introduction to Tidal Moon and has undertaken the facilitation of the initial phases of the joint venture.. No cash is being paid to the Company in respect to the proposed issues under this Resolution 9.

The shares to be issued pursuant to this resolution, if approved by the shareholders will rank equally with all other ordinary share of the Company currently on issue. The Company directs your attention to the Table A and Table B in the Explanatory Memorandum to Resolution 5.

Pursuant to and in accordance with ASX Listing Rule 7.3 the following information is provided in relation to the Placement set out in this Resolution 9;

- (a) The maximum number of shares to be issued pursuant to Resolutions 9.1 and 9.2, is 1,000,000,000;

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- (b) The shares will be issued no later than 3 months after the date of the meeting (or such later date to the extent permitted by an ASX waiver or modification of the ASX Listing rules) and it is intended that issue of the shares will occur on the same date;
- (c) The deemed issue price is \$0.0004 per share;
- (d) The shares will be issued to 189 Corporate Pty Limited or its nominees and Tidal Moon Pty Limited or its nominees as set out above;
- (e) The shares issued will be fully paid in the capital of the Company issued on the same terms and conditions as the Company's existing shares.

The Board encourages all shareholders to cast their votes on Items 9.1 and 9.2 (Placement in Respect to the Tidal Moon Joint Venture) in favour of each Resolution and if you choose to appoint a proxy you are encouraged to direct your proxy how to vote on Items 9.1 and 9.2 (Placement in Respect to the Tidal Moon Joint Venture) in favour of the Resolutions by markings on the voting form.

10. 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:

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- 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 24,015,600,164 ordinary shares and therefore has a capacity to issue:

- i. 3,602,340,024 Equity Securities under Listing Rule 7.1; and
- ii. subject to shareholder approval being obtained under this Resolution 4, 2,401,560,016 Equity Securities under Listing Rule 7.1A.
- 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 10 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 10 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

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Company's Equity Securities is \$0.001 on 4 October 2019 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
4. an example where at the time of the proposed issue under Rule 7.1A there were on issue double the number of shares on issue as at the date of this Notice.

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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 4 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.
 - a. The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 10 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).
 - b. The Company may seek to issue the Equity Securities for the following purposes:
 - i. 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
 - ii. 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.
 - c. The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.
 - d. 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:
 - i. 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;
 - ii. the effect of the issue of the Equity Securities on the control of the Company;
 - iii. the financial situation and solvency of the Company; and
 - iv. advice from corporate, financial and broking advisers (if applicable).
 - e. 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.
 - f. 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.
 - g. 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.
 - h. 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 26 November 2019. 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	13,208,333,614	10,807,266,550	122%

Listing Rule 7.3A.6 requires the details of all issues of equity securities as set out above.

The Company issued further ordinary shares on 12 April 2019, 12 June 2019 and 4 July 2019. No other securities were issued in the previous 12 months.

Total number of securities issued in the previous 12 months was 13,208,333,614 ordinary shares. All shares were issued at a discount to the trading price of \$0.001 per share at the date of each issue.

8,218,714,139 ordinary shares were issued for cash at an issue price of \$0.00014 per share.

1,800,000,000 ordinary shares were issued in relation to the provision of services by King Fame to the Company at an issue price of \$0.00014 per share. No cash was payable.

3,189,589,475 ordinary shares were issued in relation to the retirement of existing debt of \$1,275,583 at an issue price of \$0.0004 per share.

The details of the names of the shareholders to whom the issues referred to above are as follows;

	Shareholder	Number of ordinary shares issued
1.	Global Dish Co., Limited (cash provided)	2,815,843,821
2.	MSK Holdings Co., Limited (cash provided)	938,614,604
3.	Plus JPS Co., Limited (retirement of debt)	2,204,071,475
4.	Koriyakawakyu (retirement of debt)	985,518,000
5.	Green Eco Energy Asset Management Co., Ltd (cash provided)	2,232,142,857
6.	Sakura Research Institute (cash provided)	2,232,142,857
7.	King Fame Group Limited (services provided)	1,800,000,000

The total cash received from the above issues was \$1,150,624. The funds were used to pay existing trade debtors, general working capital and the purchase of Resi Property Holdings Pty limited (Bundybunna). The funds remaining are \$163,000 as set out in the appendix 4C filed 15 October 2019. The company is proceeding to raise further funds to undertake the new sea cucumber business and the balance of the cash remaining from the issues in the past 12 months will be used for general working capital requirements of the company.

Resolution 10 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.

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The A1 Investments & Resources Ltd 2019 Annual Report can be viewed online at the Company's website 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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