

ASX ANNOUNCEMENT

30 OCTOBER 2023

Notice of Annual General Meeting

Australian Pacific Coal Limited (ASX: AQC) (“AQC” or the “Company”) is pleased to attach a copy of the following documents in relation to the Annual General Meeting of Shareholders to be held on 30 November 2023 at 9.00am (Sydney Time) (Annual General Meeting).

1. Letter to Shareholders regarding arrangements for the Annual General Meeting as despatched to Shareholders;
2. Notice of Annual General Meeting; and
3. Proxy Form.

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This announcement has been authorised for release to the ASX by Board of Australian Pacific Coal Limited.

About Australian Pacific Coal Limited (ASX: AQC) and the Dartbrook Project

Australian Pacific Coal Limited (ASX: AQC) is focused on developing, acquiring and value adding coal projects. AQC’s principal asset is the Dartbrook Coal Mine located in the Hunter Valley, NSW, approximately 4 km west of Aberdeen and 10 km northwest of Muswellbrook. The Dartbrook site has access to world-class infrastructure, a skilled workforce, and support industries utilised by major mining companies in the region. Dartbrook mine produced a high-quality thermal coal (NEWC spec) that is typical of the Hunter Valley with the potential to produce some semi-soft metallurgical coal. The quality characteristics and the percentage of the overall volume of product coal that may have coking coal properties suitable for end-users are yet to be fully determined.

All enquiries:

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30 October 2023

Dear Shareholders,

The Annual General Meeting (Meeting) of Australian Pacific Coal Limited (AQC) will be held at 9.00am (Sydney time) on 30 November 2023.

This year, the Board is pleased to be able to welcome shareholders to attend the Meeting in person at Level 25, 100 Mount Street North Sydney NSW 2000.

The Board will also ensure access to those shareholders that want to continue to participate in the AGM virtually through the simultaneous online hosting of the AGM. This can be accessed at <https://meetings.linkgroup.com/AQC23>.

Further information on how to participate virtually is set out in the Virtual Meeting Online Guide which is available at www.aqcltd.com.au.

The Notice of Meeting, which sets out the full business to be considered at the Meeting, is available online at www.aqcltd.com.au. As permitted by the Corporations Act 2001, AQC will not be dispatching physical copies of the Notice of Meeting. A copy of your proxy form is enclosed with this letter. If you are unable to attend the Meeting (either physically or virtually), you may appoint a proxy to vote for you at the meeting by lodging the Proxy form using one of the several lodgement methods as outlined on the form.

AQC also provides for Shareholders to lodge their proxy votes online. To do that, Shareholders can log in to www.linkmarketservices.com.au using the holding details (SRN or HIN) that will be available on the personalised Proxy Form dispatched by the Registry. Once logged in, select Voting and follow the prompts to lodge your vote.

Proxy instructions must be received no later than 48 hours (9.00 Sydney time on 28th November 2023) before the commencement of the AGM.

For further information, please contact the Company Secretary by telephone on +61 7 3221 0679 or by email at cosec@aqcltd.com.

Yours sincerely

Australian Pacific Coal Limited

Craig J McPherson
Company Secretary

Notice of Annual General Meeting and Explanatory Memorandum

Australian Pacific Coal Limited ACN 089 206 986

Date of Meeting: 30 November 2023

Time of Meeting: 9.00am (Sydney time)

Place of Meeting: Level 25, 100 Mount Street North Sydney NSW 2000
and online at: <https://meetings.linkgroup.com/AQC23>

Notice of Annual General Meeting

Notice is given that the Annual General Meeting of the holders of the ordinary shares in Australian Pacific Coal Limited ACN 089 206 986 (**Company**) will be held at Level 25, 100 Mount Street North Sydney NSW 2000 and online at <https://meetings.linkgroup.com/AQC23> on 30 November 2023 at 9.00am (Sydney time).

The Meeting will be held as a hybrid meeting, with participation both in person and online using the electronic meeting technology of the Company's share registry, Link Market Services.

Shareholders who attend the Meeting online are taken to be present and will be able to ask questions and vote on Resolutions in real time.

Shareholders should monitor the Company's website and ASX announcements where updates will be provided if it becomes necessary or appropriate to make alternative arrangements for the holding or conduct of the Meeting.

This Notice of Meeting should be read in its entirety, together with the Explanatory Memorandum and the enclosed proxy form.

Instructions for attendance at the Meeting online

If attending the Meeting online, Link Market Services recommends logging into the online platform provided by Link Market Services at least 15 minutes prior to the schedule start time for the Meeting using the instructions below:

- Enter <https://meetings.linkgroup.com/AQC23> into a web browser on your computer or online device;
- Shareholders will need their SRN or HIN, which is printed at the top of the voting form; and
- Proxyholders will need their proxy code which Link Market Services will provide via email no later than 24 hours prior to the Meeting.

If you wish to ask a question or make a comment verbally rather than via the online platform, a questions and comments phone line will be available during the Meeting. To utilise the questions and comments line, please call Link Market Services on 1800 990 363 (inside Australia) or +61 1800 990 363 (outside Australia) to register your participation and obtain the required access code.

Further information on how to participate and vote online is set out in the Online Meeting Guide. That Guide is available at www.agcltd.com, and has been lodged with the ASX, together with this Notice of Meeting.

Technical difficulties may arise during the course of the Meeting. The Chair of the Meeting has discretion as to whether and how the Meeting should proceed in the event that a technical difficulty arises. In exercising their discretion, the Chair of the Meeting will have regard to the number of Shareholders impacted and the extent to which participation in the business of the Meeting is affected. Where they consider it appropriate, the Chair of the Meeting may continue to hold the Meeting and transact business, including conducting a poll and voting in accordance with valid proxy instructions. For this reason, Shareholders are encouraged to lodge a directed proxy by 9.00am on 28 November 2023, even if they plan to attend the Meeting online or in person.

Terms used in this Notice of Meeting are defined in section 11(**Interpretation**) of the accompanying Explanatory Memorandum, which forms part of this Notice of Meeting.

Ordinary business

Financial Reports

To receive and consider the Company's Annual Report comprising the Directors' Report and Auditors' Report, Directors' Declaration, Consolidated Statement of Comprehensive Income,

Notice of Annual General Meeting

Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows and notes to and forming part of the financial statements for the Company for the financial year ended 30 June 2023.

1. Remuneration Report

To consider and, if thought fit, pass the following Resolution as an Advisory Resolution of the Company:

“That the Remuneration Report for the year ended 30 June 2023 (as set out in the Directors’ Report) is adopted.”

Voting exclusion: The Company will disregard any votes cast on Resolution 1:

- by or on behalf of a member of the Company’s Key Management Personnel named in the Company’s Remuneration Report for the year ended 30 June 2023 (which includes the Directors) or their Closely Related Parties, regardless of the capacity in which the vote is cast; or
- as a proxy by a person who is a member of the Company’s Key Management Personnel at the date of the Meeting or their Closely Related Parties,

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

- in accordance with a direction as to how to vote on the proxy form; or
- by the Chair of the Meeting pursuant to an express authorisation to exercise the proxy even though Resolution 1 is connected with the remuneration of the Company’s Key Management Personnel.

2. Election of Mike Ryan as a Director

To consider and, if thought fit, pass the following Resolution as an Ordinary Resolution of the Company:

“That Mr Mike Ryan, who retires under the Company’s constitution and Listing Rule 14.4 and, being eligible, offers himself for election, is elected as a director.”

3. Election of Ayten Saridas as a Director

To consider and, if thought fit, pass the following Resolution as an Ordinary Resolution of the Company:

“That Ms Ayten Saridas, who retires under the Company’s constitution and Listing Rule 14.4 and, being eligible, offers herself for election, is elected as a director.”

4. Election of Nicholas Johansen as a Director

To consider and, if thought fit, pass the following Resolution as an Ordinary Resolution of the Company:

“That Mr Nicholas Johansen, who retires under the Company’s constitution and Listing Rule 14.4 and, being eligible, offers himself for election, is elected as a director.”

Notice of Annual General Meeting

5. Election of Jeff Beatty as a Director

To consider and, if thought fit, pass the following Resolution as an Ordinary Resolution of the Company:

“That Mr Jeff Beatty, who retires under the Company’s constitution and Listing Rule 14.4 and, being eligible, offers himself for election, is elected as a director.”

Special business

6. Ratification of the issue of 36,363,636 Placement Shares

To consider and, if thought fit, pass the following Resolution as an Ordinary Resolution of the Company:

*“That, for the purposes of Listing Rule 7.4 and for all other purposes, the issue of 36,363,636 Shares on 7 October 2023 at an issue price of \$0.11 per Share pursuant to the Company’s institutional placement (**Placement**), in accordance with the terms set out in the Explanatory Memorandum, be ratified.”*

Voting exclusion: The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of:

- (a) a person who received Shares pursuant to the Placement; or
- (b) any Associates of those persons.

However, this does not apply to a vote cast in favour of a Resolution 6 by:

- (c) a person as proxy or attorney for a person who is entitled to vote on Resolution 6, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (d) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 6, in accordance with the direction given to the Chair to vote on Resolution 6 as the Chair decides; or
- (e) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on Resolution 6; and

the holder votes on Resolution 6 in accordance with the directions given by the beneficiary to the holder to vote in that way.

7. Approval to issue an additional 10% of the fully paid ordinary issued capital of the Company over a 12 month period pursuant to Listing Rule 7.1A

To consider and, if thought fit, pass the following Resolution as a Special Resolution of the Company:

*“That, pursuant to and in accordance with Listing Rule 7.1A, and for all other purposes, the Shareholders approve the issue of Equity Securities of up to 10% of the fully paid ordinary issued capital of the Company calculated in accordance with the formula prescribed in Listing Rule 7.1A.2, and on the terms and conditions in the Explanatory Memorandum (**Placement Securities**).”*

Notice of Annual General Meeting

Contingent Business

8. Board Spill Resolution

If required, to consider, and if thought fit, pass the following Resolution as an Ordinary Resolution of the Company:

“That, subject to and conditional on at least 25% of the votes validly cast on Resolution 1 being cast against the adoption of the Remuneration Report for the financial year ended 30 June 2023:

*1) an extraordinary general meeting of the Company (the **Spill Meeting**) be held within 90 days of the passing of this Resolution.*

2) all of the Directors in office when the Board resolution to make the Directors’ Report for the financial year ended 30 June 2023 was passed and who remain in office at the time of the Spill Meeting, cease to hold office immediately before the end of the Spill Meeting; and

3) resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote of securityholders at the Spill Meeting.”

Note: Resolution 8 is subject to the result of Resolution 1. Resolution 8 will only be put to the AGM if at least 25% of the votes validly cast on Resolution 1 are against Resolution 1. If you do not want a Spill Meeting to take place, you should vote ‘Against’ Resolution 8. If you want a Spill Meeting to take place, you should vote ‘For’ Resolution 8.

Voting exclusion: The Company will disregard any votes cast on Resolution 8:

- by or on behalf of a member of the Company’s Key Management Personnel named in the Company’s Remuneration Report for the year ended 30 June 2023 or their Closely Related Parties, regardless of the capacity in which the vote is cast; or
- as a proxy by a person who is a member of the Company’s Key Management Personnel at the date of the Meeting or their Closely Related Parties,

unless the vote is cast as proxy for a person entitled to vote on Resolution 8:

- in accordance with a direction as to how to vote on the proxy form; or
- by the Chair of the Meeting pursuant to an express authorisation to exercise the proxy even though Resolution 8 is connected with the remuneration of the Company’s Key Management Personnel.

Important information about voting on the resolutions

In accordance with section 250JA of the Corporations Act, each resolution set out in this Notice of Meeting will be conducted by a poll, rather than on a show of hands.

By order of the Board

Craig McPherson
Company Secretary
30 October 2023

Explanatory Memorandum

1. Introduction

This Explanatory Memorandum is provided to Shareholders of Australian Pacific Coal Limited ACN 089 206 986 (**Company**) to explain the Resolutions to be put to Shareholders at the Annual General Meeting to be held at Level 25, 100 Mount Street North Sydney NSW 2000 and online at <https://meetings.linkgroup.com/AQC23> on 30 November 2023 commencing at 9.00am (Sydney time).

The Directors recommend Shareholders read the accompanying Notice of Meeting and this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

Terms used in this Explanatory Memorandum are defined in section 11.

2. Consider the Company's Annual Report

The Company's Annual Report comprising the Directors' Report and Auditors' Report, Directors' Declaration, Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows and notes to and forming part of the financial statements for the Company and for the financial year ended 30 June 2023 was released to the ASX on 28 September 2023 and subsequently dispatched to Shareholders as required.

During this item of business, Shareholders as a whole will be given a reasonable opportunity to ask questions and make comments about the Annual Report and the business and management of the Company. Shareholders will also be given a reasonable opportunity as a whole to ask a representative of the Company's auditor, Hall Chadwick Chartered Accountants, questions in relation to the conduct of the audit, the preparation of the content of the Auditor's Report, the accounting policies adopted by the Company, and the independence of the auditor in relation to the conduct of the audit.

Shareholders can access a copy of the Company's Annual Report at <http://www.aqcltd.com/site/investors/annual-reports>. The Company will not provide a hard copy of the Company's Annual Report to Shareholders unless specifically requested to do so.

The Company's Annual Report is placed before the Shareholders for discussion. No voting is required for this item.

3. Resolution 1 - Remuneration Report

The Board has submitted its Remuneration Report to Shareholders for consideration and adoption by way of a non-binding Advisory Resolution in accordance with section 250R of the Corporations Act.

The Remuneration Report is set out in the Directors' Report section of the Annual Report. The Report, amongst other things:

- (a) explains the Board's policy for determining the nature and amount of remuneration of Key Management Personnel of the consolidated entity;
- (b) explains the relationship between the Board's remuneration policy and the Company's performance;
- (c) sets out remuneration details for each Key Management Personnel of the consolidated entity, including details of performance-related remuneration and any options or other securities granted as part of remuneration; and
- (d) details and explains any performance conditions applicable to the remuneration of Key Management Personnel of the Company.

Explanatory Memorandum

The Board believes the Company's remuneration policies and structures as outlined in the Remuneration Report are appropriate relative to the size of the Company, its business and strategic objectives and current and emerging market practices.

A reasonable opportunity will be provided to Shareholders as a whole for discussion of the Remuneration Report at the Meeting.

Shareholders should note that the vote on Resolution 1 is advisory only, and does not bind the Company or the Directors. However, the Board will take the outcome of the vote into account when considering the Company's future remuneration.

Under the Corporations Act, if at least 25% of the votes validly cast on the resolution to adopt the remuneration report at two consecutive annual general meetings are against the resolution, Shareholders must be given an opportunity to vote on a 'spill resolution' (as set out in Resolution 8) at the second meeting. This is known as the 'two strikes' rule.

At the 2022 annual general meeting of the Company, 89.98 per cent of the votes cast on the resolution to adopt the remuneration report for the financial year ended 30 June 2022 were cast against the resolution and the Company received a 'first strike'.

Due to the 'two strikes' rule, votes against Resolution 1 may lead to a further meeting to elect Directors. If at least 25% of the votes validly cast on Resolution 1 to adopt the Remuneration Report for the year ended 30 June 2023 are cast against that report's adoption, the Company would receive a 'second strike' for the purposes of the Corporations Act, and section 250V(1) of that Act would apply. In these circumstances, the Company would be required to put the conditional Spill Resolution to the vote of Shareholders at the 2023 Annual General Meeting.

The Board recommends that Shareholders vote **IN FAVOUR** of adopting the Remuneration Report.

4. Resolution 2 - Election of Mike Ryan as a Director

Mike Ryan was appointed as a Director on 25 November 2022 and, being eligible, offers himself for election as a Director.

Mr Ryan is a highly accomplished executive and director with background in domestic and international capital markets. He has managerial and operational experience across a range of industries primarily focused on turnaround and growth. Mr Ryan's accomplished career has included roles as an Executive Director of Goldman Sachs JBWere, Morgan Stanley and Citibank. He was also previously Managing Director of CIMB and Head of Equities at Shaw and Partners.

Mr Ryan holds the following qualification: Bachelor of Agriculture (Rural Valuation / Production and Management).

Mr Ryan, if elected, would be considered to be an independent Director.

5. Resolution 3 - Election of Ayten Saridas as a Director

Ayten Saridas was appointed as a Director on 25 November 2022 and, being eligible, offers herself for election as a Director.

Ms Saridas is a finance executive with over 30 years of international experience across a broad range of industries including oil and gas, mining, retail, infrastructure, property, and financial services. Ms Saridas has an established reputation in the financial markets and has held CFO and executive roles with Coronado Global Resources, Santos Limited, AWE Limited and Woolworths amongst other ASX listed companies.

Explanatory Memorandum

Ms Saridas holds the following qualifications: Masters of Applied Finance, Bachelor of Commerce, Fellow CPA.

Ms Saridas also holds the office of Interim Chief Executive Officer. On that basis, Ms Saridas, if elected, would not be considered to be an independent Director.

6. Resolution 4 – Election of Nicholas Johansen as a Director

Nicholas Johansen was appointed as a Director on 9 January 2023 and, being eligible, offers himself for election as a Director.

Mr Johansen is a solicitor with extensive mining experience, ranging from junior exploration to production, across a range of commodities. Mr Johansen has expertise in transactions, resources regulation, native title and environmental law. Mr Johansen completed his Graduate Diploma of Legal Practice at Australian National University. In addition, he holds a BA in economics from the University of Adelaide.

Mr Johansen holds the following qualifications: Bachelor of Economics; Bachelor of Law.

Mr Johansen, if elected, would be considered not to be an independent Director given he was a nominee to the Board by the Company's largest shareholder, Trepang Services Pty Ltd.

7. Resolution 5 – Election of Jeff Beatty as a Director

Jeff Beatty was appointed as a Director on 9 January 2023 and, being eligible, offers himself for election as a Director.

Mr Beatty is a mining professional with extensive experience in both coal and metalliferous, open cut and underground mining operations, including mine development and exploration and civil construction activities in Australia and in international environments. Mr Beatty holds qualifications in mine management, occupational health and safety and business management and has previously held executive management roles at Carabella Resources, Vale Global Coal and AMCI Australia.

Mr Beatty does not hold any formal qualifications.

Mr Beatty, if elected, would be considered not to be an independent Director given he was a nominee to the Board by the Company's largest shareholder, Trepang Services Pty Ltd.

8. Resolution 6 - Ratification of the issue of 36,363,636 Placement Shares

Background

On 31 August 2023, the Company announced a capital raising of up to \$12 million via a \$4 million Institutional Placement (**Placement**) of fully paid ordinary shares in the Company (**Shares**) and a 1 for 4.75 Accelerated Non-Renounceable Entitlement Offer at an offer price of \$0.11 per new Share issued.

On 7 September 2023, the Company announced that it had completed the issue of 36,363,636 Shares pursuant to the Placement at an issue price of \$0.11 per Share (**Placement Shares**).

Listing Rule 7.1 provides that an entity must not, subject to certain exemptions, issue or agree to issue more Equity Securities during any 12-month period, than the amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period (**15% Limit**) without Shareholder approval. The Placement Shares were issued

Explanatory Memorandum

without Shareholder approval under the Company's existing placement capacities as provided for by Listing Rule 7.1.

Listing Rule 7.4 permits Shareholders to ratify a previous issue of Equity Securities in a general meeting, and provided that the previous issue did not breach Listing Rule 7.1 when it was made, those securities will be deemed to have been made with Shareholder approval for the purposes of Listing Rule 7.1. This will mean that the Placement Shares will not be deducted from the Company's placement capacity under Listing Rule 7.1.

Accordingly, the Company now seeks Shareholder approval to ratify the issue of the Placement Shares in accordance with Listing Rule 7.4.

If Resolution 6 is passed, the 36,363,636 Placement Shares will be excluded in calculating the Company's capacity limit pursuant to Listing Rule 7.1. Therefore, the Company will retain the flexibility to issue Equity Securities to the 15% Limit. Please note that if Shareholders approve Resolution 6, equity raisings conducted by the Company without Shareholder approval would remain subject to the 15% Limit.

If Resolution 6 is not passed, the 36,363,636 Placement Shares will be included in calculating the Company's capacity limit pursuant to Listing Rules 7.1. This means that if Resolution 6 is not passed, the Company's capacity under Listing Rule 7.1 will be more limited, which may hamper the Company's ability to take advantage of any commercial opportunities as they may arise or otherwise issue securities as the needs arise.

For the purposes of Listing Rule 7.5, the following information is provided in respect of Resolution 6:

<i>Names of allottees</i>	The Placement Shares were issued to various professional and sophisticated investors selected by the Company in consultation with managers, Ord Minnett Limited and Wilsons Corporate Finance Limited who acted as Joint Lead Managers to the Placement (Lead Managers). [No Related Party, member of the Key Management Personnel, substantial (10%+) holder of the Company, advisor to the Company or any of their respective Associates participated in the Placement.
<i>Number and class of securities issued</i>	The Company issued 36,363,636 Placement Shares. The Placement Shares rank, from their date of issue, equally with all other Shares on issue.
<i>Date of issue</i>	The Placement Shares were issued on 7 September 2023.
<i>Issue Price</i>	The issue price for the Placement Shares was \$0.11 per Share.
<i>Purpose and use of Funds</i>	The funds raised from the Placement have been and will be applied to additional working capital (including costs of the offer) and fund ongoing works at the Dartbrook mine.
<i>Material terms of agreement</i>	The relevant agreement provided that the issue price of Placement Shares is \$0.11 and includes various other conditions usual for a placement of this sort.

The Directors consider that the approval of the issue of the Shares under the Placement described above is in the Company's best interests. It provides the Company with flexibility to issue up to the maximum number of Shares permitted under ASX Listing Rule 7.1 in the next 12 months, should it be required.

The Board recommends that Shareholders vote **IN FAVOUR** of refreshing the Company's placement capacity.

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9. Resolution 7 - Approval to issue an additional 10% of the fully paid ordinary issued capital of the Company over a 12-month period pursuant to Listing Rule 7.1A

9.1 Introduction

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its Shareholders over any 12-month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25% (**Additional 10% Placement Capacity**).

An Eligible Entity means an entity which is not included in the S&P/ASX 300 Index and which has a market capitalisation of \$300 million or less at the date of the Meeting. The Company is an Eligible Entity for these purposes.

Resolution 7 seeks Shareholder approval by way of Special Resolution for the Company to have the Additional 10% Placement Capacity.

If Resolution 7 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 7 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval provided for in Listing Rule 7.1A, and will remain subject to the 15% Limit without Shareholder approval.

9.2 Specific information required by Listing Rule 7.3A

(a) The period for which the approval will be valid - Listing Rule 7.3A.1

As required by Listing Rule 7.1A.1, the Company will only issue and allot new Equity Securities pursuant to Listing Rule 7.1A (**Placement Securities**) during the approval period. The approval under Resolution 7 for the issue of the Placement Securities will cease to be valid on the first to occur of the following:

- Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities of the Company) or Listing Rule 11.2 (the disposal of the main undertaking of the Company);
- the Company's next AGM; and
- the 12 month anniversary of this AGM.

(b) Minimum price of securities issued under Listing Rule 7.1A - Listing Rule 7.3A.2

Pursuant to and in accordance with Listing Rule 7.1A.3, the Placement Securities issued pursuant to approval under Listing Rule 7.1A must be issued for cash consideration and have an issue price of not less than 75% of the VWAP for the Equity Securities 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 Placement Securities are to be issued is agreed; or
- (2) if the Placement Securities are not issued within ten trading days of the date in paragraph 9.2(b)(1) above, the date on which the Placement Securities are issued.

The Company will disclose to the ASX the issue price on the date of issue of the Placement Securities.

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(c) **Purpose - Listing Rule 7.3A.3**

The purpose for which the Placement Securities may be issued include to raise funds for the Company. Funds raised from the issue of Placement Securities, if undertaken, would be applied towards:

- (1) an acquisition of new assets or investments (including expenses associated with such an acquisition);
- (2) continued exploration and development expenditure on the Company's current assets; and/or
- (3) general working capital.

(d) **Risk of economic and voting dilution - Listing Rule 7.3A.4**

As provided by Listing Rule 7.3A.4, if Resolution 6 is passed and the Company issues the Placement Securities, there is a risk of economic and voting dilution to the existing Shareholders. Any issue of Placement Securities will have a dilutive effect on existing Shareholders.

There is a specific risk that:

- (1) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of any Placement Securities than it is on the date of the Meeting; and
- (2) the Placement Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue or the value of the Placement Securities.

As required by Listing Rule 7.3A.4, the table below shows the potential dilution effect, in circumstances where the issued share capital has doubled and the market price of the shares has halved. The table also shows additional scenarios in which the issued share capital has increased (by both 50% and 100%) and the market price of the shares has:

- (1) decreased by 50%; and
- (2) increased by 100%.

Issued capital	Share	50% decrease in market price \$0.075		Current market price \$0.15		100% increase in market price \$0.30	
		10% Voting Dilution	Capital Raised	10% Voting Dilution	Capital Raised	10% Voting Dilution	Capital Raised
Present issued Share capital = 456,023,144 Shares		45,602,314	\$3,420,174	45,602,314	\$6,840,347	45,602,314	\$13,680,694
50% Increase in Share capital = 684,034,716 Shares		68,403,471	\$5,130,260	68,403,471	\$10,260,521	68,403,471	\$20,521,042
100% Increase in Share capital = 912,046,288 Shares		91,204,628	\$6,840,347	91,204,628	\$13,680,694	91,204,628	\$27,361,389

Note that the issued capital of the Company may increase as a result of issues of Shares that do not require Shareholder approval (such as a pro-rata rights issue).

Explanatory Memorandum

(e) **Assumptions and explanations**

- (1) The market price is \$0.15, based on the closing price of the Shares on ASX on 27 October 2023.
- (2) The above table only shows the dilutionary effect based on the issue of the Placement Securities (assuming only Shares are issued), and not any Shares issued under the 15% under Listing Rule 7.1.
- (3) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue.
- (4) The Company issues the maximum number of Placement Securities.
- (5) The issued share capital has been calculated in accordance with the formula in Listing Rule 7.1A(2) as at 27 October 2023.
- (6) The issue price of the Placement Securities used in the table is the same as the market price and does not take into account the discount to the market price (if any).

(f) **Company's allocation policy - Listing Rule 7.3A.5**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue of the Placement Securities. The identity of the allottees of Placement Securities will be determined on a case-by-case basis having regard to a number of 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 existing Shareholders can participate;
- (2) prevailing market conditions;
- (3) the purpose for raising funds;
- (4) the effect of the issue of the Placement Securities on the control of the Company;
- (5) the financial situation and solvency of the Company; and
- (6) advice from corporate, financial and broking advisers (if applicable).

The allottees of any Shares under the Additional 10% Placement Capacity have not been determined as at the date of this Notice of Meeting but may include existing Shareholders and new Shareholders who are not related parties or associates of a related party of the Company.

(g) **Previous issues under Listing Rule 7.1A.2 - Listing Rule 7.3A.6**

The Company has not issued or agreed to issue any Equity Securities under Listing Rule 7.1A.2 in the 12 months preceding this AGM.

9.3 **Voting exclusion statement**

As the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A.2, a voting exclusion statement has not been included with this Notice of Meeting. Given it is not known who will participate in the issuances under the Additional 10% Placement Capacity, Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted and there is no reason to exclude their votes.

9.4 **Board recommendation**

The Board recommends that Shareholders vote **IN FAVOUR** of this Resolution.

Explanatory Memorandum

10. Resolution 8 – Spill Resolution

Background

This Resolution is a 'conditional' resolution. It will only be put to the vote if at least 25% of the votes cast on Resolution 1 are against the Resolution to adopt the Remuneration Report, where the Company receives a 'second strike'.

If less than 25% of the votes cast on Resolution 1 are against adopting the Remuneration Report at the 2023 AGM, then there will be no second strike and Resolution 8 will not be put to the meeting.

If the Spill Resolution is put to the meeting, it will be considered as an ordinary resolution, which means that, to be passed, the item requires the approval of a simple majority of the votes cast by or on behalf of Shareholders entitled to vote on the Resolution. If this Resolution is passed and becomes effective, then it will be necessary for the Board to convene a Spill Meeting within 90 days of the date of the 2023 AGM in order to consider the composition of the Board.

If a Spill Meeting is required, the date of the meeting will be notified to Shareholders in due course.

If a Spill Meeting is held, the following Directors will automatically vacate office at the conclusion of the Spill Meeting unless they are willing to stand for re-election and are re-elected at that meeting: Mike Ryan, Ayten Saridas, Nicholas Johansen and Jeff Beatty (assuming that each of these Directors are elected at the 2023 AGM). Even if Mr Ryan, Ms Saridas, Mr Johansen and Mr Jeff Beatty are elected at the 2023 AGM, he or she will still need to be re-elected at the Spill Meeting to remain in office following the Spill Meeting.

Each of the Directors listed above is eligible to stand for re-election at the Spill Meeting, but there is no guarantee they will choose to stand for re-election.

The Directors listed above are those who held office on 28 September 2023, when the Directors' Report (including the Remuneration Report) for the year ended 30 June 2023 was approved.

At the Spill Meeting, resolutions to appoint individuals to the offices that would be vacated immediately before the end of the Spill Meeting would be put to the vote at that meeting. Eligibility for re-election as a Director at any Spill Meeting would be determined in accordance with the Company's Constitution.

The Board considers the following factors to be relevant to a Shareholder's decision on how to vote on Resolution 8:

- each of the Directors listed above is individually up for election as a Director at the 2023 Annual General Meeting;
- convening a Spill Meeting would cause significant disruption, uncertainty and cost to the Company, which the Board does not consider would be in the best interests of the Company or its Shareholders; and
- there is no assurance that any or all of the Directors would stand for re-election at the Spill Meeting.

The Board recommends that Shareholders vote **AGAINST** the conditional Spill Resolution.

Explanatory Memorandum

11. Interpretation

Advisory Resolution means a Resolution which, the result of voting by Shareholders, does not bind the Company or the Directors.

Annual Report means the annual report for the Company released to the ASX on 28 September 2023.

ASX means ASX Limited ACN 008 624 691 or the Australian Securities Exchange (as applicable).

Board means the board of directors of the Company.

Chair means the person who chairs the Meeting.

Closely Related Party (as defined in the Corporations Act) of a member of the Key Management Personnel for an entity means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations for the purposes of this definition (noting that no definition is currently prescribed by the Corporations Regulations).

Company means Australian Pacific Coal Limited ACN 089 206 986.

Constitution means the constitution of the Company from time to time.

Corporations Act means the *Corporations Act 2001* (Cth) as amended, varied or replaced from time to time.

Corporations Regulations means the *Corporations Regulations 2001* (Cth) as amended, varied or replaced from time to time.

Director means a director of the Company.

Eligible Entity has the meaning given to that term in the Listing Rules.

Equity Securities has the meaning given to that term in the Listing Rules.

Explanatory Memorandum means this explanatory memorandum accompanying the Notice of Meeting.

Key Management Personnel or **KMP** has the definition given in *Accounting Standards AASB 124 Related Party Disclosure* as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any director (whether executive or otherwise) of that entity.

Listing Rule means the official listing rules of the ASX as amended from time to time.

Meeting, Annual General Meeting or **AGM** means the annual general meeting to be held at Level 25, 100 Mount Street North Sydney NSW 2000 (Sydney time) on 30 November 2023 as convened by the accompanying Notice of Meeting.

Notice of Meeting means the notice of meeting giving notice to Shareholders of the Meeting, accompanying this Explanatory Memorandum.

Ordinary Resolution means a resolution passed by more than 50% of the votes cast at a general meeting of Shareholders.

Relevant Period means the 12 month period immediately preceding the date of the issue or agreement.

Explanatory Memorandum

Remuneration Report means the remuneration report as contained in the annual Directors' Report of the Company for the financial year ending 30 June 2023.

Resolution means a resolution as set out in the Notice of Meeting.

Share means an ordinary fully paid share in the issued capital of the Company.

Shareholder means a holder of Shares in the Company.

Special Resolution means a resolution where the following conditions are satisfied:

- (a) notice given under section 249J of the meeting at which the resolution is proposed must include the information required by section 249L(1)(c) of the Corporations Act in relation to the resolution;
- (b) the resolution must be passed by at least 75% of the votes cast by members who are entitled to vote on the resolution; and
- (c) the resolution must be otherwise valid.

VWAP means the volume weighted average price.

Any enquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to Craig McPherson (**Company Secretary**):

Level 1
371 Queen Street
Brisbane Qld 4000
+61 7 3221 0679

Voting information

Proxy, representative and voting entitlement instructions

Voting Entitlement

The Board has determined that those persons who are registered as holding Shares as at 7:00pm (AEDT) on 28 November 2023 will be entitled to attend and vote at the Meeting. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

If more than one joint holder of a Share is present at the Meeting (whether personally, by proxy, by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the Company's Share register will be counted.

Proxies and representatives

Shareholders are entitled to appoint a proxy to attend and vote on their behalf. Where a Shareholder is entitled to cast two or more votes at the Meeting, they may appoint two proxies. Where more than one proxy is appointed, each proxy may be appointed to represent a specific proportion or number of votes the Shareholder may exercise. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes. The proxy may, but need not, be a Shareholder of the Company.

Shareholders who are a body corporate are able to appoint representatives to attend and vote at the Meeting under section 250D of the Corporations Act.

The proxy form must be signed by the Shareholder or his/her attorney duly authorised in writing or, if the Shareholder is a corporation, in a manner permitted by the Corporations Act.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be [**deposited at, posted to, or sent by facsimile transmission to the address listed below, or the Share Registry, C/- Link Market Services Limited Locked Bag A14 Sydney South NSW 1235 Australia**] 48 hours before the time for holding the Meeting, or the adjourned Meeting as the case may be, at which the individual named in the proxy form proposes to vote.

Australian Pacific Coal Limited
Level 1, 371 Queen Street, Brisbane, Queensland, 4000
Telephone No: +61 7 3221 0679
Facsimile No: +61 7 3229 9323

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

A proxy form accompanies this Notice of Meeting.

Proxy voting by the Chair of the Meeting

If you have lodged a directed proxy, and your appointed proxy either does not attend the Meeting or does not vote on a Resolution, then the Chair of the Meeting is taken to have been appointed as your proxy for that Resolution, and will vote on a poll in accordance with your voting instruction.

If the Chair of the Meeting is appointed as your proxy or becomes your proxy by default, by signing and returning the proxy form, you are expressly authorising the Chair of the Meeting to vote all available proxies on Resolutions 1 and 8 as he or she sees fit, even though those resolutions are connected directly or indirectly with the remuneration of the Key Management Personnel.

The Chair of the Meeting intends to vote all available proxies **IN FAVOUR** of all the Resolutions except Resolution 8 (Spill Resolution), in relation to which the Chair of the Meeting intends to vote all available proxies **AGAINST** that Resolution.



Australian Pacific Coal

ABN 49 089 206 986

LODGE YOUR VOTE

ONLINE
<https://investorcentre.linkgroup.com>

BY MAIL
Australian Pacific Coal Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

BY FAX
+61 2 9287 0309

BY HAND
Link Market Services Limited
Parramatta Square, Level 22, Tower 6,
10 Darcy Street, Parramatta NSW 2150; or
Level 12, 680 George Street, Sydney NSW 2000

ALL ENQUIRIES TO
Telephone: 1300 554 474 Overseas: +61 1300 554 474

PROXY FORM

I/We being a member(s) of Australian Pacific Coal Limited and entitled to participate in and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name and email of the person or body corporate you are appointing as your proxy. An email will be sent to your appointed proxy with details on how to access the virtual meeting,

Name
Email

STEP 1

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **9:00am (Sydney time) on Thursday, 30 November 2023 (the Meeting)** and at any postponement or adjournment of the Meeting.

The Meeting will be conducted as a hybrid event. You can participate by attending in person at **Level 25, 100 Mount Street North Sydney** or logging in online at <https://meetings.linkgroup.com/AQC23> (refer to details in the Virtual Annual General Meeting Online Guide).

Important for Resolutions 1 & 8: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1 & 8, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

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

VOTING DIRECTIONS

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

Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Election of Jeff Beatty as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Election of Mike Ryan as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Ratification of the issue of 36,363,636 Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Election of Ayten Saridas as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Approval to issue an additional 10% of the issued capital of the Company over a 12 month period pursuant to Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Election of Nicholas Johansen as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8 Board Spill Resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Note: Resolution 8 is subject to the result of Resolution 1. Resolution 8 will only be put to the AGM if at least 25% of the votes validly cast on Resolution 1 are against Resolution 1. If you do not want a Spill Meeting to take place, you should vote 'Against' Resolution 8. If you want a Spill Meeting to take place, you should vote 'For' Resolution 8.

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual) <input type="text"/>	Joint Shareholder 2 (Individual) <input type="text"/>	Joint Shareholder 3 (Individual) <input type="text"/>
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

AQC PRX2301N



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name and email address of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to participate in the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

SIGNING INSTRUCTIONS

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

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to participate in the Meeting virtually the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **9:00am (Sydney time) on Tuesday, 28 November 2023**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

<https://investorcentre.linkgroup.com>

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MAIL

Australian Pacific Coal Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*

Parramatta Square
Level 22, Tower 6
10 Darcy Street
Parramatta NSW 2150

or

Level 12
680 George Street
Sydney NSW 2000

*During business hours Monday to Friday (9:00am - 5:00pm)