

29 October 2019

SUPPLEMENTARY NOTICE OF GENERAL MEETING AND EXPLANATORY MEMORANDUM

Please find attached Supplementary Notice of General Meeting and Explanatory Memorandum which supplements the Notice of Annual General Meeting lodged on 11 October 2019.

The Supplementary Notice of Meeting provides for an additional Resolution 8 to approve Amendment of the Company's Constitution. The amendment is proposed to update the Constitution to reflect changes made to the ASX Listing Rules, which are proposed to take effect on 1 December 2019.

A replacement Proxy Form containing all Resolutions being put to the meeting is also attached.

Leni Stanley
Company Secretary

AustChina Holdings Limited ACN 075 877 075

Supplementary Notice of General Meeting and Explanatory Statement

This supplementary Notice of General Meeting and Explanatory Statements relates to the Company's General Meeting to be held at Colin Biggers & Paisley Lawyers, Level 35, 1 Eagle Street, Brisbane Qld 4000 on 20 November 2019 commencing at 11:00 am AEST.

You should read this document in conjunction with the Company's Notice of General Meeting and Explanatory Statement dated 11 October 2019.

Supplementary Notice of General Meeting

The Company wishes, by this Supplementary Notice, to add an additional Resolution 8 to its Notice of General Meeting and Explanatory Statement dated 11 October 2019 and to add additional material relating to Resolution 8.

Resolution 8: Amendment to Constitution

To consider, and, if thought fit, pass the following as a special resolution:

"That, for the purposes of section 136(2) of the Corporations Act 2001 (Cth) and for all other purposes, with effect immediately upon the passing of this Resolution, clauses 16.3(b)(i), 16.3(e), 20.1(b) and 31.6 of the Company's Constitution are deleted and a new clause 4(b) is inserted, as follows:

- 4(b) *At times when the Company's shares are listed for quotation on the ASX, for so long as the Company has any restricted securities on issue and despite any other provision in this Constitution:*
- (i) *a holder of restricted securities must not dispose of, or agree or offer to dispose of, the securities during the escrow period applicable to those securities except as permitted by the Listing Rules or the ASX;*
 - (ii) *if the restricted securities are in the same class as quoted securities, the holder will be taken to have agreed in writing that the restricted securities are to be kept on the Company's issuer sponsored subregister and are to have a holding lock applied for the duration of the escrow period applicable to those securities;*
 - (iii) *the Company will refuse to acknowledge any disposal (including, without limitation, to register any transfer) of restricted securities during the escrow period applicable to those securities except as permitted by the Listing Rules or the ASX;*
 - (iv) *a holder of restricted securities will not be entitled to participate in any return of capital on those securities during the escrow period applicable to those securities except as permitted by the Listing Rules or the ASX;*
 - (v) *if a holder of restricted securities breaches a restriction deed or a provision of this Constitution restricting a disposal of those securities, the holder will not be entitled to any dividend or distribution, or to exercise any voting rights, in respect of those securities for so long as the breach continues; and*
 - (vi) *in this clause 4(b) and for the purposes of this Constitution generally when used in connection with this clause 4(b) or its subject matter, the following words and phrases have the meaning given to them in the Listing Rules: "class"; "dispose" or "disposal" (which include using an asset as collateral - see chapter 19 of the Listing Rules); "holding lock"; "issuer sponsored subregister"; "restricted securities"; "restriction deed"; and "securities".*

Supplementary Explanatory Statement

The Company wishes to add the following to the Explanatory Statement attached to its Notice of General Meeting dated 11 October 2019, pertaining to additional Resolution 8 the subject of this Supplementary Notice:

Resolution 8 - Amendment of Constitution

It is proposed that the Constitution of the Company be amended as set out in Resolution 8.

The amendment is proposed to update the Constitution of the Company to reflect changes made to the ASX Listing Rules, which are proposed to take effect on 1 December 2019.

The amendment is proposed to specifically address the new terms of ASX Listing Rule 15.12 which, subject to transitional arrangements for existing listed entities, provides that the constitution of a listed entity must include specific text. This specific text is set out in Resolution 8.

An outline of the impact of these changes is set out below:

- (a) adding that, if restricted securities are in the same class as quoted securities, the holder will be taken to have agreed in writing that the restricted securities are to be kept on the entity's issuer sponsored sub-register and to have a holding lock applied for the duration of the escrow period applicable to those securities. This formalises prior requirements of ASX that each holder of restricted securities must sign a written restriction agreement with respect to those restricted securities; and
- (b) adding that a holder of restricted securities will not be entitled to participate in any return of capital on those securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX. This amendment contains similar content to ASX Listing Rule 7.24A which provides an entity must not return capital to holders of restricted securities; and
- (c) other consequential drafting changes to clarify the application of ASX Listing Rule 15.12.

As the Company is listed on the ASX, it is required to include the new terms of ASX Listing Rule 15.12 and as a result, the Company considers the Meeting an opportunity to update its Constitution to address the upcoming changes to the ASX Listing Rules as described above.

Currently, clauses 16.3(b)(i), 16.3(e), 20.1(b) and 31.6 of the Constitution reflect the requirements of the version of Listing Rule 15.12 that is to be superseded and the proposed amendment is required to ensure that the Constitution complies with the updated ASX Listing Rules.

Resolution 8 is a Special Resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative).

The Directors of the Company unanimously recommend shareholders vote in favour of Resolution 8.

NOTES:

This notice is supplementary to and does not affect the validity of the Company's Notice of General Meeting dated 11 October 2019. A revised proxy form is attached for those Shareholders who wish to vote on this additional Resolution.

By order of the Board

Leni Stanley
Company Secretary
AustChina Holdings Limited
29 October 2019

LODGE YOUR VOTE



ONLINE

www.linkmarketservices.com.au



BY MAIL

AustChina Holdings 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
1A Homebush Bay Drive, Rhodes NSW 2138; or
Level 12, 680 George Street, Sydney NSW 2000



ALL ENQUIRIES TO

Telephone: 1300 554 474

Overseas: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of AustChina Holdings Limited and entitled to attend 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 of the person or body corporate you are appointing as your proxy

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 **11:00am (AEST) on Wednesday, 20 November 2019 at Colin Biggers & Paisley Lawyers, Level 35, 1 Eagle Street, Brisbane Qld 4000 (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolutions 1 and 7: 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 and 7, 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 Resolutions 1, 2, 3, 4, 5, 6.

The Chairman of the Meeting intends to vote undirected proxies against Resolution 7 if it is put to the Meeting.

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

STEP 2

Resolutions

Resolutions	For	Against	Abstain*	Resolutions	For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Ratification of prior issue of shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Mr Daniel Chan as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Election of Mr William Ko as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Spill Resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Election of Mr Andrew Macintosh as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8 Amendment of Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



* 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.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

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).

STEP 3



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 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 attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company'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 attend the Meeting 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 **11:00am (AEST) on Monday, 18 November 2019**, 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

www.linkmarketservices.com.au

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

AustChina Holdings 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*
1A Homebush Bay Drive
Rhodes NSW 2138
or
Level 12
680 George Street
Sydney NSW 2000

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

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**