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# AMERICAN PACIFIC BORATES LIMITED

ACN 615 606 114

## ADDENDUM TO NOTICE OF ANNUAL GENERAL MEETING

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American Pacific Borates Limited (ACN 615 606 114) (**Company**), hereby gives notice to shareholders of the Company that, in relation to the Notice of Annual General Meeting dated 29 October 2020 (**Notice**) in respect of the Company's annual general meeting of members to be held at 10:00am (AEDT) on 30 November 2020, virtually (**Meeting**), the Directors have determined to amend the Notice by inclusion of one additional Resolution, being Resolution 9 (**Additional Resolution**) as set out in this Addendum.

### General

Definitions in the Notice have the same meaning in this Addendum.

This Addendum is supplemental to the original Notice and should be read in conjunction with the original Notice. Save for the Additional Resolution set out below, all other Resolutions proposed in the original Notice remain unchanged.

### Replacement Proxy Form

The Company advises that there has been a change to the Proxy Form previously despatched to Shareholders and the replacement Proxy Form is annexed to this Addendum (**Replacement Proxy Form**).

To ensure clarity of voting instructions by Shareholders on the Resolutions to be considered at the Meeting, Shareholders are advised that:

- (a) If you have already completed and returned the Proxy Form which was annexed to the original Notice and **you wish to change your original vote, or vote on Resolution 9, you must complete and return the Replacement Proxy Form** annexed to this Addendum.
- (b) If you have already completed and returned the Proxy Form which was annexed to the original Notice and **you do not wish to change your original vote, or vote on Resolution 9, you do not need to take any action** as the earlier submitted Proxy Form will be accepted by the Company for Resolutions 1 – 8 unless you submit a Replacement Proxy Form. However, completed Proxy Forms annexed to the Notice will not be accepted by the Company in relation to Resolution 9 to be voted on by Shareholders at the Meeting.
- (c) If you have not yet completed and returned a Proxy Form and you wish to vote on the Resolutions in the Notice as supplemented by the Addendum, being Resolutions 1 to 9, please complete and return the Replacement Proxy Form annexed to this Addendum.

Accordingly, although original Proxy Forms will still be valid in order to vote on the Resolution 9 by proxy **PLEASE COMPLETE AND RETURN THE REPLACEMENT PROXY FORM** annexed to this Addendum.

**The Notice is amended by the inclusion of the Additional Resolution as follows:**

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**9. RESOLUTION 9 – APPROVAL TO ISSUE CONVERTIBLE NOTES**

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

*“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 6,666,666 Convertible Notes on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely Virtova Capital Management Limited) or an associate of that person (or those persons).

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

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) 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 the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

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## SUPPLEMENTARY EXPLANATORY STATEMENT

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The Explanatory Statement outlined in the Notice is supplemented by adding an additional Section 8 and Schedule 4 in respect of the Additional Resolution (as set out below)

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### 8. RESOLUTION 9 – APPROVAL TO ISSUE CONVERTIBLE NOTES

#### 8.1 Background to Convertible Notes and ASX Listing Rule 7.1

On 1 June 2020 the Company announced it had entered a Binding Term Sheet with Virtova Capital Management Limited (the **Noteholder**) to conditionally issue up to 33,333,333 Convertible Notes, each with a face value of US\$1.00, at an issue price of US\$0.90 per Convertible Note to raise up to US\$30,000,000 (**Convertible Notes**).

The Noteholder is not a related party of the Company or an existing shareholder in the Company.

The Company and the Noteholder subsequently formalised the agreement by way of a more formal convertible note agreement (**Convertible Note Agreement**).

A summary of the Convertible Note Agreement is detailed at Schedule 4.

Under the terms of the Convertible Note Agreement, the Company is able to draw down five tranches of 6,666,666 or 6,666,667 Convertible Notes (**Tranches**) with the first Tranche of 6,666,666 being made available on or about the 14 February 2021 (**First Tranche**). If the First Tranche is drawn down by the Company, the remaining four Tranches will, subject to relevant conditions being met, be automatically issued on the following four monthly anniversaries of the issue of the First Tranche.

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 shares it had on issue at the start of that period.

The issue of each Tranche of Convertible Notes is conditional on (amongst other things) the Company obtaining shareholder approval for the purposes of Listing Rule 7.1. Accordingly, the agreement to issue Convertible Notes under the Convertible Note Agreement falls within exception 17 of Listing Rule 7.2. Exception 17 of Listing Rule 7.2 states that an exception to Listing Rule 7.1 applies where the agreement to issue equity securities is conditional on the shareholders approving the issue under Listing Rule 7.1 before the issue is made. If an entity relies on this exception it must not issue the relevant securities without such approval. As the Company is relying on this exception it cannot issue Convertible Notes under the Convertible Note Agreement, without obtaining Shareholder approval under Listing Rule 7.1.

The Company notes that, as set out in the summary at Schedule 4, the Convertible Note Agreement technically allows for the Company to waive the need to obtain Listing Rule 7.1 approval, however the Company confirms it will not waive this condition under any circumstance in relation to any Tranches. Accordingly, if Shareholders approve Resolution 9 and the Company issues the First Tranche, Shareholder approval for the issue of subsequent Tranches will also be sought.

## **8.2 ASX Listing Rule 7.3.4, First Tranche and Subsequent Tranches**

As set out above, if the First Tranche is drawn down by the Company, the remaining four Tranches will, subject to relevant conditions being met (including Shareholder approval under Listing Rule 7.1), be automatically issued on the following four monthly anniversaries of the issue of the First Tranche. The earliest that the First Tranche can be issued is 14 February 2021, therefore the earliest the subsequent Tranches can be issued is 14 March 2021, 14 April 2021, 14 May 2021 and 14 June 2021.

Pursuant to ASX Listing Rule 7.3.4, if Shareholder approval is received pursuant to Resolution 9, the approval is only valid for issues of Convertible Notes that occur within 3 months of the Meeting. As the Meeting is being held on 30 November 2020, the Shareholder approval in accordance with ASX Listing Rule 7.1 will only be valid until the end of February 2021. Accordingly, it is only possible for the First Tranche to be issued pursuant to Shareholder approvals obtained at this Meeting.

As such, the Company is only seeking Shareholder approval for the issue of the First Tranche and subsequent Shareholder approval will be required for the Company to issue the subsequent four Tranches of the Convertible Notes.

Assuming the First Tranche is issued on the 14 February 2021, so as to allow sufficient time to obtain the Shareholder approval (pursuant to Listing Rule 7.1) required for the second Tranche, the Company will need to seek Shareholder approval prior to 14 March 2021. Accordingly, the Company would need to begin preparation of the notice of meeting in early February.

Prior to early February 2021, the Company intends to be in a position to determine whether it will draw down the First Tranche. If the Company opts to proceed with the First Tranche (subject to Shareholders approving this Resolution 9), it will progress with the preparation and ASX approval of the subsequent notice of meeting, for a general meeting to be held prior to 14 March 2021.

As Tranches 2 to 4 would occur within 3 months of each other, in such circumstances the Company would likely seek Shareholder approval for Tranches 2 to 4 at the same Shareholder meeting.

A final general meeting would then need to be held to obtain the approval of the 5th and final Tranche.

The Company confirms that there is no penalty if the Company does not receive Shareholder approval for the subsequent Tranches other than not being able to access the corresponding funds.

## **8.3 Key terms of the Convertible Notes**

A summary of the Convertible Note terms is detailed at Schedule 4. Set out below are explanations of the key terms in further detail.

### **Condition Precedent**

This summary details the conditions precedent that are required for each Tranche.

If the First Tranche is issued, each condition precedent set out in Schedule 4 remains applicable for the subsequent four Tranches, other than condition (c). The Company is automatically deemed to have notified the Noteholder of its intention to issue the subsequent Tranches if it draws down and issues the First Tranche.

Some other conditions will only require satisfaction once, such as condition (f) and condition (g), albeit their remaining satisfied will constitute a condition.

For the avoidance of doubt and as confirmed above, Condition (b) and the need to obtain Shareholder approval under Listing Rule 7.1 will be required to be satisfied for every Tranche.

If a condition precedent is not met prior to the scheduled drawn down and issue of a subsequent Tranche, the proposed issue will not occur.

### **Conversion Ratio and Interest**

If the Convertible Notes are ultimately converted into Shares, they will convert at a ratio of the face value of the Convertible Notes multiplied by 1.5384615.

Based on the fixed conversion ratio and the AUD:USD exchange rate as at 11 November 2020, the ratio equates to a price per conversion Share of approximately AUD\$0.80. Given the current trading price for Shares as at 11 November 2020 is AUD\$0.88, the conversion price is only a discount of 9.10% to the current trading price.

Therefore, the potential number of Shares to be issued on conversion is known and not subject to a fluctuating Share price.

The face value of the Convertible Notes is the US\$1 per Convertible Note accordingly the face value of the Convertible Notes (the subject of Resolution 9) is US\$6,666,666 and the maximum number of Shares to be issued on conversion would be 10,256,409 Shares.

In addition, the Convertible Notes will accrue interest at a face of 11.6% per annum on the outstanding aggregate face value of the Convertible Notes (**Interest**). The Interest will be payable annually in arrears at each 12 month anniversary of the issue of the Convertible Notes and capitalised to the aggregate face value of those Convertible Notes, therefore becoming convertible into Shares.

The maximum Interest that can accrue under the First Tranche of 6,666,666 Convertible Notes is US\$1,636,373.17 (noting they have a 24 month maturity date). Under the terms of the Convertible Notes (as it relates to the First Tranche) the maximum accrued interest would be convertible into Shares at the ratio of 1.5384615 amounting to 2,517,497 Shares if converted into Shares.

Assuming the First Tranche of 6,666,666 Convertible Notes (and maximum accrued interest) is converted into Shares, 12,773,906 Shares will be issued in respect of the Convertible Notes.

The maximum number of:

- (a) Shares to be issued on conversion of the First Tranche; and
- (b) Shares to be issued on conversion of all Tranches,

and the resulting percentage interest of the Company's current share capital as at the date of this Addendum is detailed in the table below:

Number of Convertible Notes	Conversion into Shares (no interest converts) (A)	% of current issued capital	A + Maximum accrued interest converts into Shares	% of current issued capital
6,666,666 (First Tranche)	10,256,409	3.21%	12,773,906	4.00%
33,333,333 (all Tranches)	51,282,051	16.05%	63,869,536	19.99%

### **Other Confirmation regarding the terms of the Convertible Notes**

The Company also confirms the following:

- (a) No collateral Shares are being issued in respect of the Convertible Notes.
- (b) As the conversion price is only a discount of 9.10% to the current trading price of the Company's Shares, the Company considers that the terms are favourable to the Company and its Shareholders.
- (c) At the time when the arrangement with the Noteholder was negotiated and entered, the Company considered it the most preferable funding option available as it enables, the Company at its election, to raise more funds (in absolute dollar terms) than any other fundraising option and also enabled the Company to lock in a conversion ratio that was not variable based on the Company's future Share price.
- (d) If the Company obtains a more preferable option before the draw down of the First Tranche, the Company is under no obligation to draw down funds under the Convertible Note Agreement and will seek to obtain funds through other options.

### **8.4 Technical information required by Listing Rule 14.1A**

If Resolution 9 is passed, then subject to the satisfaction of relevant conditions precedent including the Company electing to draw down the funds made available, the Company will be able to proceed with the issue of 6,666,666 Convertible Notes to raise US\$6,000,000. The issue of the Convertible Notes and all Shares issued on conversion of the Convertible Notes (including the conversion of the accrued interest if applicable) will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 9 is not passed, the Company will not be able to proceed with the issue of the Convertible Notes and the Company will not be able to access the funds that will be made available by the Noteholder unless subsequent Shareholder approval is obtained. If the Shareholder approval is not obtained by 14 February 2021, the Company and or the Noteholder will be able to terminate the Convertible Note Agreement.

Resolution 9 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Convertible Notes.

## 8.5 Technical information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 9:

- (a) the Convertible Notes will be issued to Virtova Capital Management Limited, who is not a related party of the Company;
- (b) the maximum number of Convertible Notes to be issued is 6,666,666. The terms and conditions of the Convertible Notes are set out in Schedule 4;
- (c) the Convertible Notes will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Convertible Notes will occur on the same date;
- (d) the issue price will be US\$0.90 per Convertible Note. The Company will not receive any other consideration for the issue of the Convertible Notes;
- (e) the purpose of the issue of the Convertible Notes is to raise up to US\$6,000,000. The Company intends to apply the funds raised from the issue to fund construction activities at the Fort Cady Borate Project including, but not limited to, site works, equipment costs, personnel, engineering expenses and establishing required infrastructure in order to construct facilities for the production of borates, costs of the issue and general working capital expenses;
- (f) the Convertible Notes will be issued to Virtova Capital Management Limited under the Convertible Note Agreement. A summary of the material terms of the Convertible Note Agreement is set out in Schedule 4; and
- (g) the Convertible Notes are not being issued under, or to fund, a reverse takeover.

Dated: 13 November 2020

**By order of the Board**



**Aaron Bertolatti**  
**Company Secretary**

**Enquiries:** Shareholders should contact the Company Secretary on +61 8 6141 3145 if they have any queries in respect of the matters set out in this Addendum.

## SCHEDULE 4 – SUMMARY OF CONVERTIBLE NOTE AGREEMENT

Virtova Capital Management Limited (the **Noteholder**), a company incorporated under the laws of Hong Kong, has agreed to invest an amount of up to US\$30,000,000 in American Pacific Borates Limited (the **Company**) in accordance with the convertible note subscription agreement entered into between the Noteholder and the Company (the **Agreement**).

Pursuant to the Agreement, the Noteholder has agreed to subscribe for up to 33,333,333 Convertible Notes (the **Notes**) with an aggregate face value of US\$33,333,333 at an issue price of US\$0.90 per Note in five (5) equal tranches subject, among other things, to the Company electing to draw down funds under the Agreement.

The following is a summary of the rights, obligations and restrictions attaching to the Notes under the Agreement. The summary is not exhaustive and does not constitute a definitive statement of the rights, obligations and liabilities of the Noteholder and the Company.

Term on Notes - 24 months from issue of the Note.

Use of Proceeds - The Company intends to apply the funds raised from the issue to fund construction activities at the Fort Cady Borate Project including, but not limited to, site works, equipment costs, personnel, engineering expenses and establishing required infrastructure in order to construct facilities for the production of borates, costs of the issue and general working capital expenses.

Conditions Precedent to subscription of first tranche of Notes - the Notes are to be issued in five (5) equal tranches. Subscription for the first tranche of Notes cannot occur before 14 February 2021 and is subject to the following Conditions Precedent:

Conditions Precedent		Parties able to rely on or waive
(a)	The Company confirming in writing that no events of default is subsisting.	Noteholder
(b)	The Company obtaining approval of its shareholders for the issue of the Notes to the Noteholder for the purposes of Listing Rule 7.1.	Both parties.  The Company confirms it will not waive this condition under any circumstance in relation to any Tranche
(c)	The Company notifying the Noteholder in writing that it intends to issue the Notes.	Both parties
(d)	The Company obtaining all necessary authorisations for the issue of the Notes, and the Shares issued on conversion of the Notes, to the Noteholder.	Both parties
(e)	The Noteholder being satisfied with the results of its searches and enquiries in respect of the Company and its related bodies corporate.	Noteholder
(f)	The Company making an announcement on ASX to the effect that it has obtained all necessary	Noteholder



Conditions Precedent		Parties able to rely on or waive
	authorisations for the construction of its Phase 1a Production Facility.	
(g)	The Company and its related bodies corporate entering into the senior secured security documents in favour of the Noteholder.	Noteholder

Subscription of subsequent four tranches of Notes – each of the four (4) subsequent Tranches are subject to the same Conditions Precedent other than condition (c) as the Company is automatically deemed to have notified the Noteholder of its intention to issue the subsequent Tranches if it draws down and issues the First Tranche. Subject to the Conditions Precedent being met the subsequent Tranches will be issued on each of the four (4) monthly anniversaries of the issue of the First Tranche.

Sunset Date - if the Conditions Precedent are not satisfied by 14 February 2021, the Agreement may be terminated by either the Noteholder or the Company.

Change of Control Event - if the Company undergoes a change of control event before satisfaction or waiver of the Conditions Precedent, subject to Shareholder approval and compliance with Listing Rules, the Noteholder may subscribe for 51,282,051 fully paid ordinary shares in the capital of the Company for US\$30,000,000.

If the Noteholder so elects, the Company will issue the shares, apply for their quotation in accordance with the Listing Rules and lodge a cleansing statement with ASX. If the Company is unable to issue a cleansing statement, it will lodge a disclosure document complying with Part 6D.2 of the Corporations Act within 20 business days of the issue of the Shares.

#### Interest payable on the Notes

- (a) 11.6% per annum on the outstanding aggregate face value of the Notes (each Note having a face value of US\$1), payable annually in arrears at the one year anniversary of the issue of the Notes and capitalised to the aggregate face value of the Note.
- (b) If there is a forced conversion of the Notes prior to the end of an interest period, interest is not payable for that relevant period.
- (c) Interest of 15% per annum is payable on any overdue amounts.

Security - the Noteholder will be granted senior secured security over the Company and its related bodies for the life of the Notes. This will be effected by the Company and the Noteholder entering into general security agreement in favour of the Noteholder, such security being senior to any other security, and the Company's subsidiaries entering into guarantees and asset level security in favour of the Noteholder, such security being senior to any other security.

Further equity issues - following subscription of the Notes and for so long as the Noteholder has a relevant interest in the Company's issued capital of at least 10%, the Company must give the Noteholder notice of any proposed capital raising and invite the Noteholder to participate in the capital raising and use best endeavours to structure the capital raising in a way that allows the Noteholder to participate without the Company needing to obtain shareholder approval or other authorisations.

Conversion by Noteholder - the Noteholder may elect to convert some or all of the Notes issued to fully paid ordinary shares in the capital of the Company by giving a notice in writing to the Company, setting out the number of Notes to be converted, plus any interest that has accrued but which remains unpaid on the face value.

Forced conversion - if the volume weighted average price of the Company shares traded on the ASX in the ordinary course of trading (excluding special crossings) over any period of ten (10) consecutive trading days is above A\$1.75, the Company may require the Noteholder to convert all, or some, of the Notes previously issued.

Conversion - under a conversion, the Company must convert all of the Notes the subject of the conversion into such number of fully paid ordinary shares in the capital of the Company equal to the principal outstanding of the relevant Notes multiplied by 1.5384615.

(For the avoidance of doubt, based on 6,666,666 Convertible Notes issued to the Noteholder, if all of those Notes were converted to shares that would require the issue of 10,256,409 Shares (excluding any additional shares to be issued in satisfaction of any interest accrued but unpaid). If the maximum accrued interest for those 6,666,666 Convertible Notes was also converted into Shares those an additional 2,517,497 Shares would be issued, being an aggregate of 12,773,906 Shares).

The Company must apply for quotation of the ordinary shares in the capital of the Company in accordance with the Listing Rules.

Reconstruction - if the Company undertakes a reconstruction of its share capital (including a share consolidation, share division, declaration of a dividend, bonus issue or capital reduction), the number of shares into which a Note may convert will be adjusted in the same manner so that the Noteholder is entitled to receive the same proportion of the shares on issue had the reconstruction not occurred.

Redemption - unless previously redeemed, converted and cancelled, the Company must redeem all Notes at their aggregate face value at the expiry of their term, plus all outstanding interest (and default interest) then payable.

Events of Default - the Agreement includes customary Company events of default (including insolvency, breach of material obligations, failure to obtain any necessary shareholders approval and illegality).

If an event of default occurs and is not remedied by the Company within the required time, the Noteholder may, by written notice to the Company, declare that all remaining principal and any other amounts accrued or outstanding (including interest) will be immediately due and payable to the Noteholder (and the Notes will be redeemed).

Governing law and non-exclusive jurisdiction - the laws and courts of Western Australia.



AmericanPacific

BORATES LIMITED  
American Pacific Borates Limited  
ABN 68 615 606 114

ABR

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030



## Need assistance?



**Phone:**  
1300 850 505 (within Australia)  
+61 3 9415 4000 (outside Australia)



**Online:**  
[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:00 AM (AEDT) on Saturday, 28 November 2020.**

# Proxy Form

## How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

### APPOINTMENT OF PROXY

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

## SIGNING INSTRUCTIONS FOR POSTAL FORMS

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

## PARTICIPATING IN THE MEETING

### Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

## Lodge your Proxy Form:

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### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



**Control Number: 999999**  
**SRN/HIN: I9999999999**  
**PIN: 99999**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001  
Australia

### By Fax:

1800 783 447 within Australia or  
+61 3 9473 2555 outside Australia



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE  
 FLAT 123  
 123 SAMPLE STREET  
 THE SAMPLE HILL  
 SAMPLE ESTATE  
 SAMPLEVILLE VIC 3030

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I N D

# Proxy Form

Please mark  to indicate your directions

## Step 1 Appoint a Proxy to Vote on Your Behalf

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I/we being a member/s of American Pacific Borates Limited hereby appoint

the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of American Pacific Borates Limited to be held virtually on Monday, 30 November 2020 at 10:00 AM (AEDT) and at any adjournment or postponement of that meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 1, 4, 5 and 6 (except where I/we have indicated a different voting intention in step 2) even though Items 1, 4, 5 and 6 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 1, 4, 5 and 6 by marking the appropriate box in step 2.

## Step 2 Item of Business

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

	For	Against	Abstain
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Election of Director – David Salisbury	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Director – Stephen Hunt	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Issue of Incentive Options exercisable at \$0.90 to Director – Michael Schlumpberger	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Issue of Incentive Options exercisable at \$0.90 to Director – Anthony Hall	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Issue of Incentive Options exercisable at \$0.90 to Director – David Salisbury	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Appointment of Auditor at AGM to fill vacancy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Approval of 7.1A Mandate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9 Approval to issue Convertible Notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1  Securityholder 2  Securityholder 3  / /  
 Sole Director & Sole Company Secretary Director Director/Company Secretary Date

**Update your communication details** (Optional)

Mobile Number  Email Address  By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

