



**ISHINE INTERNATIONAL RESOURCES LIMITED**

**ACN 139 522 553**

**Notice of Annual General Meeting  
Explanatory Statement  
and Proxy Form**

**TIME:** 11:00 am AWST  
**DATE:** 30 May 2014  
**PLACE:** 1187 Hay Street, West Perth, Western Australia

*This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety.*

*If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.*

## **Notice of Annual General Meeting**

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**NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING OF SHAREHOLDERS OF ISHINE INTERNATIONAL RESOURCES LIMITED ABN: 64 139 522 553 ("Ishine" or the "Company") WILL BE HELD AT 1187 HAY STREET, WEST PERTH, WESTERN AUSTRALIA ON 30 MAY 2014 COMMENCING AT 11:00 AM AWST.**

### **AGENDA**

#### **BUSINESS**

An Explanatory Statement containing information in relation to each of the following Resolutions accompanies this Notice of Annual General Meeting.

#### **ORDINARY BUSINESS**

To receive and consider the financial report of the Company and the reports of the Directors and the Auditors for the 6 months ended 31 December 2013.

#### **1 RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT**

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

*"That, the remuneration report forming part of the Company's December 2013 Financial Report, be adopted."*

#### **Voting Exclusion**

In accordance with the Corporations Act (2001) ("Corporations Act"), the Company will disregard:

- (a) any votes cast (in any capacity) on Resolution 1 by or on behalf of
  - (i) a member of the Key Management Personnel listed in the Remuneration Report (KMP); or
  - (ii) a KMP's Closely Related Party; and
- (b) any votes cast as a proxy on Resolution 1 by any other person who is a member of the KMP at the date of the meeting, or by a Closely Related Party of any such person.

Closely Related Party is defined in the Corporations Act and includes a spouse, dependant and certain other close family members, as well as any companies controlled by the KMP.

However the Company need not disregard a vote cast on Resolution 1 if it is cast:

- (i) by any person referred to above as proxy for a person entitled to vote on the Resolution, in accordance with a direction in the proxy appointment specifying how the proxy is to vote on the Resolution; or
- (ii) by the person chairing the meeting as proxy for a person entitled to vote on the Resolution where the proxy appointment does not specify the way the proxy is to vote on the Resolution and expressly authorises the Chairman to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the KMP for the Company.

Please read the information under the heading 'Chairman as proxy' which deals with the Chairman's voting of undirected proxies on Resolution 1.

If you are a member of the KMP or a Closely Related Party of any such member, you may be held liable for breach of the voting restrictions in the Corporations Act if you cast a vote that the Company will disregard.

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company.

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## 2 RESOLUTION 2 – RE-ELECTION OF MR YUNDE LI AS A DIRECTOR

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

*"That, Mr Yunde Li being a Director of the Company, who retires in accordance with the Constitution of the Company and being eligible for re-election, be hereby re-elected as a Director of the Company."*

**BY ORDER OF THE BOARD OF DIRECTORS**



Leonard Math  
Company Secretary  
ISHINE INTERNATIONAL RESOURCES LIMITED

28 April 2014

## ENTITLEMENT TO ATTEND AND VOTE

You will be entitled to attend and vote at the Annual General Meeting if you are registered as a Shareholder of the Company as at 11 a.m. (AWST) on Wednesday 28 May 2014. This is because, in accordance with the Corporations Regulations 2001 (Cth), the Board of Directors has determined that the Shares on issue at that time will be taken, for the purposes of the Annual General Meeting, to be held by the persons who held them at that time. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

## HOW TO VOTE

### Voting in person

Shareholders who plan to attend the meeting are asked to arrive at the venue 15 minutes prior to the time designated for the meeting if possible, so that their holding may be checked against the Company's register of members and attendances recorded.

### Corporate Representatives

A body corporate, which is a Shareholder or which has been appointed as a proxy, may appoint an individual to act as its corporate representative at the meeting in accordance with section 250D of the Corporations Act. The appropriate appointment document must be produced prior to admission. A form of the certificate is attached and can also be obtained from the Company's registered office.

### Voting by Proxy

A Shareholder who is entitled to attend and cast a vote at the meeting may appoint a proxy. A proxy need not be a Shareholder and may be an individual or body corporate. If a body corporate is appointed as a proxy it must appoint a corporate representative in accordance with section 250D of the Corporations Act to exercise its powers as proxy at the meeting (see above).

A Shareholder who is entitled to cast two or more votes may appoint two proxies to attend the meeting and vote on their behalf and may specify the proportion or a number of votes each proxy is appointed to exercise. If a Shareholder appoints two proxies and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, each proxy may exercise half of the votes (disregarding fractions). If you wish to appoint a second proxy, you may copy the enclosed proxy form or obtain a form from the Company's registered office.

To be effective for the scheduled meeting a proxy appointment (and any power of attorney or other authority under which it is signed or otherwise authenticated, or a certified copy of that authority) must be received at an address or fax number below no later than Wednesday 11 am AWST on 28 May 2014, being 48 hours before the time of the meeting. Any proxy appointment received after that time will not be valid for the scheduled meeting.

### In person

#### Registered Office

14 Emerald Terrace,  
West Perth, Western Australia 6005,

### By mail

PO Box 389,  
West Perth, Western Australia 6872

### By fax

(08) 9322 7211

For further information concerning the appointment of proxies and the ways in which proxy appointments may be submitted, please refer to the enclosed proxy form.

### Voting by attorney

A Shareholder may appoint an attorney to attend and vote on their behalf. For an appointment to be effective for the meeting, the instrument effecting the appointment (or a certified copy of it) must be received by the Company at one of the addresses listed above for the receipt of proxy appointments at least 48 hours prior to the commencement of the meeting.

## Chairman as proxy

If you appoint a proxy, the Company encourages you to consider directing them how to vote by marking the appropriate box on each of the proposed Resolutions.

If a Shareholder entitled to vote on a Resolution appoints the Chairman of the meeting as their proxy (or the Chairman becomes their proxy by default) and the Shareholder does not direct the Chairman how to vote on the Resolution:-

- The Chairman intends to vote in favour of the Resolution, as proxy for that Shareholder on a poll; and
- For Resolution 1, the Shareholder will have given the Chairman express authority to vote as the Shareholder's proxy on the relevant resolution even though the resolution is connected directly or indirectly with the remuneration of a member of the KMP for the Company and even though the Chairman is a member of the KMP, unless the Shareholder expressly indicates to the contrary in the proxy appointment.

If you do not want to put the Chairman of the meeting in the position to cast your votes in favour of any of the proposed Resolutions, you should complete the appropriate box on the proxy form, directing your proxy to vote against, or to abstain from voting, on the resolution.

## Other members of KMP as proxy

If a Shareholder appoints a Director (other than the Chairman of the meeting) or another member of KMP (or a Closely Related Party of any such person) as their proxy and does not direct the proxy how to vote on Resolution 1 by marking the 'For', 'Against' or 'Abstain' box opposite the relevant Resolution on the proxy appointment, the proxy will not be able to exercise the Shareholder's proxy and vote on their behalf on the relevant Resolution.

## QUESTIONS FROM SHAREHOLDERS

The Chairman of the meeting will allow a reasonable opportunity for Shareholders at the meeting to ask questions about and make comments on the management of the Company and on the Financial Report, the Directors' Report (including the Remuneration Report) and the Auditor's Report (Reports), as well as each of the Resolutions to be considered at the meeting.

A representative of the Company's auditor will attend the meeting. During the meeting's consideration of the Reports, the Chairman of the meeting will allow a reasonable opportunity for Shareholders at the meeting to ask the auditor's representative questions relevant to the:-

- Conduct of the audit;
- Preparation and content of the Auditor's Report for the 6 months ended 31 December 2013;
- Accounting policies adopted by the Company in relation to the preparation of the financial statements contained in the Financial Report for that year; and
- Independence of the auditor in relation to the conduct of the audit.

Shareholders may also submit a written question to the Company's auditor if the question is relevant to the content of the Auditor's Report or the conduct of the audit.

If you wish to submit a question in advance of the meeting, you may do so by sending your question to one of the addresses or facsimile numbers above by no later than 23 May 2014. The Company and the auditor will attempt to respond to as many of the more frequently asked questions as possible. Due to the large number of questions that may be received, the Company and the auditor will not be replying on an individual basis.

## **EXPLANATORY STATEMENT**

This Explanatory Statement is for the information of Shareholders of ISHINE INTERNATIONAL RESOURCES LIMITED (the Company) in connection with Resolutions to be considered at the Annual General Meeting of the Company to be held on Friday, 30 May 2014 at 11.00am (AWST). If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisors before voting.

### **ORDINARY BUSINESS**

#### **Annual Financial Report**

The Annual Report 2013 (including the financial statement, Directors' report and Auditor's report for the 6 months ended 31 December 2013) is available for review by Shareholders at [www.ishineresources.com](http://www.ishineresources.com) and will be tabled at the Meeting.

Whilst there is no requirement for Shareholders to approve the Annual Report, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report for the 6 months ended 31 December 2013;
- (b) ask questions or make comment on the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the auditor's report.

#### **RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT**

The Board submits its Remuneration Report for the 6 months ended 31 December 2013 to Shareholders for consideration and adoption by way of a non-binding resolution.

The Remuneration Report is included in the December 2013 Financial Report. The report:

- explains the Company's remuneration principles relating to the nature and amount of the remuneration of directors, senior managers and other group executives of the Company;
- discusses the relationship between such principles and the Company's performance; and
- sets out remuneration details for each director and for each relevant executive of the Company.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting.

The vote on the Remuneration Report is advisory only and will not bind the Company, however the Board places importance on the outcome of the vote and will take it into account when considering the Company's remuneration policy.

The Corporations Act now provides for a 'two strikes rule' in relation to voting on the Remuneration Report. This rule would apply if, at two consecutive Annual General Meetings, the resolution for adoption of the Remuneration Report were to receive a 'no' vote of 25% or more of the votes cast on the resolution. In that case, a further resolution (a 'spill resolution') would be required to be put to Shareholders at the second of those Annual General Meetings. If passed, the spill resolution would require an extraordinary general meeting of the Company (a 'spill meeting') to be held within 90 days of the second Annual General Meeting, for the purpose of considering the election of Directors. At the spill meeting, the directors (other than the Managing Director) who were in office at the date of approval by the Board of the most recent Directors' Report would cease to hold office, unless re-elected at the meeting. For any spill resolution to be passed, more than 50% of the votes cast on the resolution must be in favour of it.

In addition, if comments are made on the Remuneration Report at an Annual General Meeting and 25% or more of the votes cast on Resolution 1 are against the adoption of the Remuneration Report, the Company's Remuneration Report for the subsequent financial year will be required to include an explanation of the Board's proposed action in response to those comments or, if no action is proposed, the Board's reasons for this.

At the Company's 2013 Annual General Meeting there were no votes cast against the resolution to adopt the Remuneration Report and no comments were made on the Remuneration Report.

Please read the information under the heading 'Chairman as proxy' which deals with the Chairman's voting of undirected proxies on this Resolution.

A voting exclusion applies to this item of business, as set out in the Notice of Meeting.

The Board of Directors unanimously recommend that shareholders vote in favour of Resolution 1.

**RESOLUTION 2 – RE-ELECTION OF MR YUNDE LI AS A DIRECTOR**

The Constitution of the Company requires that one third of the Directors in office (other than a Managing Director) must retire by rotation at each Annual General Meeting of the Company.

Mr Yunde Li therefore retires at the forthcoming Annual General Meeting in accordance with the Constitution and being eligible, has offered himself for re-election at the meeting.

Mr Li has been a Director, General Manager and a principal shareholder of Ishine Mining Company Co. Ltd (IMGC) since 2001. He is an economist and has over 20 years' experience in mining and mineral processing with extensive training in business administration at Beijing University and Tsinghua University.

From 1966 to 2001 he was General Manager of Yishui Xinxing Mining. He has been involved as an investor, promoter and/or director in resource companies such as, Yishui Xingxing Mining Pty Ltd, Shandong Ishine Mining Co, Yishui Heshen Mineral Process Pty Ltd, which have joint assets of over \$200 million and generate an annual profit of approximate \$70 million.

The Board of Directors, with Mr Li abstaining, recommend that Shareholders vote in favour of Resolution 2.

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## DEFINITIONS

In this Notice and Explanatory Statement:

|                             |  |
|-----------------------------|--|
| ASX                         | Australian Securities Exchange   |
| AWST                        | Australian Western Standard Time   |
| Board                       | the Board of Directors of the Company.   |
| Chairman                    | the Chairman of the Company's meetings of Shareholders as appointed in accordance with the Company's constitution from time to time. |
| Corporations Act            | Corporations Act 2001 (Cth).   |
| Director                    | a director of the Company.   |
| Explanatory Statement       | the explanatory statement that accompanies this Notice of Meeting.   |
| Listing Rules               | Listing rules of the ASX   |
| Meeting or General Meeting  | the meeting convened by the Notice of Meeting.   |
| Notice or Notice of Meeting | this Notice of Meeting.  |
| Ordinary Resolution         | a resolution that has been passed by at least 50% of the votes cast by shareholders entitled to vote on the resolution.              |
| Resolution                  | a resolution set out in the Notice of Meeting  |
| Share                       | a fully paid ordinary share in the Company   |
| Shareholder                 | holder of a share in the Company   |

**ISHINE INTERNATIONAL RESOURCES LIMITED**  
**ACN 139 522 553**  
**PROXY FORM**

**Shareholder Details**

Name: .....

Address: .....

Contact Telephone No: .....

Contact Email Address: .....

Contact Name (if different from above): .....

**Step 1: Appointment of Proxy**

I/We being a Shareholder/s of Ishine International Resources Limited and entitled to attend and vote hereby appoint

The Chairman  
of the meeting  
(mark with an 'X')

**OR**

Write here the name of the person you are appointing if this person is someone other than the Chairman of the Meeting.

or failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to attend and 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, as the proxy sees fit) at the Annual General Meeting of Ishine International Resources Limited to be held at 1187 Hay Street, West Perth 6005, WA on 30 May 2014 at 11.00am AWST and at any adjournment of that meeting.

**Chairman authorised to exercise proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman of the Meeting becomes my/our proxy by default) and am/are entitled to vote on the relevant Resolution, I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy in relation to Resolution 1 (and any motion for amendment of, or any procedural motion relating to that resolution) even though that resolution (and any such motion) may be connected directly or indirectly with the remuneration of a member of the key management personnel for the Company, and even though the Chairman is a member of the key management personnel.

If the Chairman of the Meeting is (or becomes) your proxy, you can direct the Chairman how to exercise your proxy on Resolution 1 by marking the appropriate box below.

**Chairman to vote undirected proxies in favour:** I/we acknowledge that the Chairman of the Meeting intends to vote undirected proxies in favour of each of the proposed Resolutions (to the extent permitted by law).

**Step 2: Voting directions to your proxy – please mark  to indicate your directions**

**Special Business**

|              |                                 | For                      | Against                  | Abstain*                 |
|--------------|---------------------------------|--------------------------|--------------------------|--------------------------|
| Resolution 1 | Adoption of Remuneration Report | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 2 | Re-election of Mr Yunde Li      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

\*If you mark the Abstain box for a particular Resolution, 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.

Appointment of a second proxy (see instructions attached).

- If you wish to appoint a second proxy, state the % of your voting rights applicable to the proxy appointed by this form

%

**PLEASE SIGN HERE This section must be signed in accordance with the instructions attached to enable your directions to be implemented**

Individual or Shareholder 1

Sole Director and  
Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

## How to complete this Proxy Form

### Your Name and Address

Please print your name and address as it appears on your holding statement and the company's share register. If shares are jointly held, please ensure the name and address of each joint shareholder is indicated. Shareholders should advise the company of any changes. Shareholders sponsored by a broker should advise their broker of any changes. Please note, you cannot change ownership of your securities using this form.

### Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the company.

### Votes on Resolutions

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each Resolution. All your shareholding will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any Resolution 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 a given Resolution, your proxy may vote as he or she chooses. If you mark more than one box on a Resolution your vote on that Resolution 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 on 08 9322 2700 or you may photocopy this form.

To appoint a second proxy you must on each Proxy Form state (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If both Proxy Forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

### 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, all of the shareholders should sign.
- Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the company's share 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.

If a representative of the corporation is to attend the meeting a "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate is either included in the Notice of General Meeting or may be obtained from the company's share registry.

### Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address given below not later than 48 hours before the commencement of the meeting. i.e. no later than 11am (AWST) on 28 May 2014. Any Proxy Form received after that time will not be valid for the scheduled meeting.

This Proxy Form (and any Power of Attorney and/or second Proxy Form) may be sent or delivered to the company's registered office at 14 Emerald Terrace, West Perth Western Australia 6005 or sent by facsimile to the registered office on 08 9322 7211.

**ISHINE INTERNATIONAL RESOURCES LIMITED  
ACN 139 522 553  
CORPORATE REPRESENTATIVE FORM**

**Appointment of Corporate Representative**

This is to certify that, in accordance with the provisions of section 250D of the *Corporations Act 2001* and by a resolution of the Directors of:

.....  
Insert Registered Name

of .....(the '**Company**'),  
Insert Registered Address

the Company has appointed:

.....,  
Insert name of Corporate Representative

to act as the body corporate representative of the Company at

the meeting of the Shareholders of ISHINE INTERNATIONAL RESOURCES LIMITED to be held on 30 May 2014 and at any adjournment of that meeting

OR

all meetings of ISHINE INTERNATIONAL RESOURCES LIMITED.

.....  
Contact Name

.....  
Telephone Number – Business Hours/After Hours

Please state if there are any restrictions on the representative's power

Yes

No

If yes, these restrictions are as follows:-

.....  
.....  
.....

**Sign here**

I/We authorise you to act in accordance with the instructions set out above. We acknowledge that these instructions supersede and have priority over all previous instructions.

.....  
Sole Director and Sole Company Secretary

.....  
Director

.....  
Director/Company Secretary

.....  
Dated

## **Instructions for Completion**

### **Appointment of Corporate Representative**

- Enter the registered name of the shareholder company
- Enter the registered address of the shareholder company
- Indicate whether this appointment is for one specific meeting or all future meetings.
- State if there are any restrictions to the representative's power and, if so, describe these.
- Please provide your contact details in case we need to speak to you about this form.

### **Signature**

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

- Companies – this form must be signed by either 2 Directors or a Director and a Company Secretary. Alternatively, where the Company has a Sole Director and, pursuant to the Corporations Act 2001, there is no Company Secretary, or where the Sole Director is also the Sole Company Secretary, that Director may sign alone. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.
- Insert the date of execution where indicated.

Send or deliver the Certificate to the registered office of ISHINE INTERNATIONAL RESOURCES LIMITED at 14 Emerald Terrace, West Perth, Western Australia 6005, (PO Box 389, West Perth, Western Australia 6872) or the proxy may be sent by facsimile to the Company on facsimile number (08) 9322 7211.