
SWICK MINING SERVICES LTD

ABN 20 112 917 905

NOTICE OF ANNUAL GENERAL MEETING

Time: 10.00 a.m.

Date: 13 November 2015

Place: Hyatt Regency Perth
99 Adelaide Terrace
Perth, Western Australia

IMPORTANT INFORMATION

Time and place of meeting

Notice is given that the annual general meeting of Shareholders of Swick Mining Services Ltd will be held at 10.00 a.m. (WST) on Friday, 13 November 2015 at:

Hyatt Regency Perth
99 Adelaide Terrace
Perth, Western Australia

The Explanatory Statement to this Notice of Meeting provides additional information on the matters to be considered at the Annual General Meeting.

Terms and abbreviations used in this Notice of Meeting and the Explanatory Statement are defined in the Glossary.

Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 4:00 p.m. (WST) on 11 November 2015.

Voting in person

To vote in person, attend the Annual General Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and
- a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Under sections 250BB and 250BC of the Corporations Act:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

BUSINESS OF THE MEETING

AGENDA

ORDINARY BUSINESS

Financial Statements and Reports

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2015, together with the declaration of the directors, the directors' report, the Remuneration Report and the auditor's report.

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

"That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report, as contained in the Company's annual financial report for the financial year ended 30 June 2015."

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

Voting Prohibition Statement: A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **Voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the Voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (b) the Voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel for the Company.

RESOLUTION 2 – RE-ELECTION OF DIRECTOR – DAVID NIXON

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

"That, for the purpose of rule 13.2 of the Constitution and for all other purposes, John (David) Nixon, a Director, retires by rotation, and being eligible, is re-elected as a Director."

RESOLUTION 3 – RE-ELECTION OF DIRECTOR – PHILLIP LOCKYER

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

"That, for the purpose of rule 13.2 of the Constitution and for all other purposes, Phillip Lockyer, a Director, retires by rotation, and being eligible, is re-elected as a Director."

RESOLUTION 4 – ADOPTION OF EMPLOYEE INCENTIVE OPTION PLAN

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

“That, for the purposes of ASX Listing Rule 7.2 (Exception 9(b)) and for all other purposes, approval is given for the Company to adopt an employee incentive scheme titled Employee Incentive Option Plan and for the issue of securities under that Plan, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any Director, other than any Directors who are ineligible to participate in any employee incentive scheme in relation to the Company, and any associates of those Directors. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

By order of the Board

Frank Campagna
Company Secretary

Perth, Western Australia
25 September 2015

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions which are the subject of the business of the Meeting.

FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include consideration of the annual financial report of the Company for the financial year ended 30 June 2015, together with the declaration of the directors, the directors' report, the Remuneration Report and the auditor's report.

Printed copies of the Company's annual financial report are not provided to Shareholders unless the Company is specifically requested to do so. The annual financial report is available on the Company's website at www.swickmining.com.

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The Remuneration Report sets out remuneration arrangements for the directors and senior management of the Company. The Remuneration Report is included in the directors' report contained in the annual financial report of the Company for the financial year.

The chair of the meeting will allow a reasonable opportunity for shareholders to ask questions about or make comments on the Remuneration Report at the Annual General Meeting.

Voting consequences

A company is required to put to shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (Spill Resolution) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to the vote. If required, the Spill Resolution must be put to the vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (Spill Meeting) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting, those persons whose election or re-election as directors of the company is approved will be the directors of the company.

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, a Spill Resolution is not relevant for this Annual General Meeting.

Proxy voting restrictions

Shareholders appointing a proxy for Resolution 1 should note the following:

- (a) If you appoint a member of Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member as your proxy, you must direct your proxy how to vote on this Resolution. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

- (b) If you appoint the Chair as your proxy (where he/she is also a member of Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member), you do not need to direct your proxy how to vote on this Resolution.
- (c) If you appoint any other person as your proxy you do not need to direct your proxy how to vote on this Resolution, and you do not need to mark any further acknowledgement on the Proxy Form.

RESOLUTIONS 2 AND 3 – RE-ELECTION OF DIRECTORS – DAVID NIXON AND PHILLIP LOCKYER

Rule 13.2 of the Constitution requires that at the Company's annual general meeting in every year, one-third of the Directors for the time being, or if their number is not a multiple of 3, then the number nearest one-third, shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

A Director who retires by rotation under rule 13.2 of the Constitution is eligible for re-election.

The Company currently has 5 Directors (including Kent Swick, Managing Director) and accordingly 2 must retire.

John (David) Nixon and Phillip Lockyer, being the Directors longest in office since their last election, retire by rotation and seek re-election.

Mr Nixon is a Mechanical Engineer with over 40 years' experience in the mining and construction industries in Southern Africa, Australia, New Zealand, Canada and Indonesia. He was a founding executive of Signet Engineering in 1990 and a director until its acquisition by Fluor Australia in 1996. Mr Nixon was the project director for the \$1 billion BHP Billiton Iron Ore Asset Development projects, and is a past non-executive chairman of Atlas Iron and past non-executive director of Brockman Resources and Moly Mines. Mr Nixon graduated from the University of Natal (South Africa) holding a Bachelor of Science (Mechanical Engineering) and is a member of the Australian Institute of Company Directors. Mr Nixon is a member of the Audit and Corporate Governance Committee and the Remuneration and Nomination Committee.

Mr Lockyer is a Mining Engineer and Metallurgist who has over 50 years' experience in the mineral industry, with a focus on gold and nickel in both underground and open pit operations. He was employed by WMC Resources for 20 years and as General Manager for Western Australia was responsible for WMC's nickel division and gold operations. Mr Lockyer also held the position of Director Operations for Dominion Mining Limited and Resolute Limited. He holds a Diploma of Metallurgy from the Ballarat School of Mines, an Associateship of Mining Engineering from the Western Australian School of Mines and a Masters of Minerals Economics from Curtin University. Mr Lockyer is a member of the Audit and Corporate Governance Committee and the Remuneration and Nomination Committee.

The Board (excluding David Nixon and Phillip Lockyer) recommends that shareholders vote in favour of the re-election of Mr Nixon and Mr Lockyer as Directors of the Company. The Chair intends to vote undirected proxies in favour of Resolutions 2 and 3.

RESOLUTION 4 – APPROVAL OF EMPLOYEE INCENTIVE OPTION PLAN

This Resolution seeks Shareholder approval for the adoption of the employee incentive scheme titled "Employee Incentive Option Plan" (**Plan**) in accordance with ASX Listing Rule 7.2 (Exception 9(b)).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period. ASX Listing Rule 7.2 (Exception 9(b)) sets out an exception to ASX Listing Rule 7.1 which provides that issues under an employee incentive scheme are exempt for a period of three years from the date on which shareholders approve the issue of securities under the scheme as an exception to ASX Listing Rule 7.1.

If this Resolution is passed, the Company will be able to issue Securities under the Plan to eligible participants over a period of three years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period.

Shareholders should note that no Securities have previously been issued under the Plan.

The objective of the Plan is to attract, motivate and retain key employees and it is considered by the Company that the adoption of the Plan and the future issue of Securities under the Plan will provide selected employees with the opportunity to participate in the future growth of the Company.

A summary of the key terms and conditions of the Plan is set out in Schedule 1. In addition, a copy of the Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Plan will also be sent to Shareholders upon request.

GLOSSARY

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

Board means the Board of Directors.

Closely Related Party of a member of Key Management Personnel means:

- a spouse or child of the member;
- a child of the member's spouse;
- a dependent of the member or the member's spouse;
- 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 dealing with the entity;
- a company the member controls; or
- a person prescribed by the *Corporations Regulations 2001* (Cth) for the purposes of the definition of "closely related party" in the Corporations Act.

Company means Swick Mining Services Ltd (ABN 20 112 917 905).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Notice or **Notice of Meeting** or **Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Plan means the employee incentive scheme titled "Employee Incentive Option Plan".

Plan Option means Options issued under the Plan.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the director's report section of the Company's annual financial report for the year ended 2015.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

Securities means a Share or Option.

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

Shareholder means a holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – EMPLOYEE INCENTIVE OPTION PLAN

The material terms and conditions of the Employee Incentive Option Plan are as follows:

- (a) **Eligibility and Grant of Plan Options:** The Board may grant Plan Options to any full time or part time employee or an executive director of the Company or an associated body corporate or subject to, and in accordance with, any necessary ASIC relief being obtained, a casual employee or contractor of the Company or an associated body corporate (**Eligible Participant**). Plan Options may be granted by the Board at any time.
- (b) **Consideration:** Each Plan Option issued under the Plan will be issued for nil cash consideration.
- (c) **Conversion:** Each Plan Option is exercisable into one Share in the Company ranking equally in all respects with the existing issued Shares in the Company.
- (d) **Exercise Price and Expiry Date:** The exercise price and expiry date for Plan Options granted under the Plan will be determined by the Board prior to the grant of the Plan Options, provided that the exercise price shall be not less than the weighted average sale price of the Company's Shares on ASX over the five trading days immediately preceding the date of the offer.
- (e) **Exercise Restrictions:** The Plan Options granted under the Plan may be subject to conditions on exercise as may be fixed by the Directors prior to grant of the Plan Options (**Exercise Conditions**). Any restrictions imposed by the Directors must be set out in the offer for the Plan Options.
- (f) **Renounceability:** Eligible Participants may renounce their offer in favour of a nominee (the Eligible Participants and their nominees are each **Participants**).
- (g) **Lapsing of Plan Options:** Subject to the terms of the offer made to a Participant, an unexercised Plan Option will lapse:
 - (i) on the Eligible Participant ceasing employment with the Company and:
 - any Exercise Conditions have not been met by the date the Relevant Person ceases to be an Eligible Participant (**Ceasing Date**); or
 - where any Exercise Conditions have been met by the Ceasing Date or the Plan Option is not subject to any Exercise Conditions, the Participant does not exercise the Plan Option within a period of six (6) months after the Ceasing Date (or a further date as determined by the Board after the Ceasing Date);
 - (ii) if any Exercise Condition is unable to be met; or
 - (iii) the expiry date has passed.
- (h) **Share Restriction Period:** Shares issued on the exercise of Plan Options may be subject to a restriction that they may not be transferred or otherwise dealt with until a restriction period has expired, as specified in the offer for the Plan Options.
- (i) **Disposal of Options:** Plan Options will not be transferable and will not be quoted on the ASX, unless the offer provides otherwise or the Board in its absolute discretion approves.
- (j) **Trigger Events:** The Company may permit Plan Options to be exercised in certain circumstances where there is a change in control of the Company (including by takeover) or entry into a scheme of arrangement.
- (k) **Participation:** There are no participating rights or entitlements inherent in the Plan Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Plan Options.
- (l) **Change in exercise price:** A Plan Option will not confer a right to a change in exercise price or a change in the number of underlying Shares over which the Plan Option can be exercised.

- (m) **Reorganisation:** If at any time the capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a Participant are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
- (n) **Limitations on Offers:** The Company must take reasonable steps to ensure that the number of Shares to be received on exercise of Plan Options offered under an offer when aggregated with:
- (i) the number of Shares that would be issued if each outstanding offer for Shares, units of Shares or options to acquire Shares under the Plan or any other employee share scheme of the Company were to be exercised or accepted; and
 - (ii) the number of Shares issued during the previous 5 years from the exercise of Plan Options issued under the Plan (or any other employee share plan of the Company extended only to Eligible Participants),

does not exceed 5% of the total number of Shares on issue at the time of an offer.



My/Our contact details in case of enquiries are:

Name:

Number:

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1. NAME AND ADDRESS

This is the name and address on the Share Register of the Company. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

2. APPOINTMENT OF A PROXY

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a shareholder of the Company.

3. DIRECTING YOUR PROXY HOW TO VOTE

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

4. APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two (2) 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 contacting the Company's share registry or you may photocopy this form.

To appoint a second Proxy you must:

- On each of the Proxy forms, state the percentage of your voting rights or number of securities 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 of your votes; and
- Return both forms in the same envelope.

5. SIGNING INSTRUCTIONS

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

Joint Holding: where the holding is in more than one name, all of the Shareholders must 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 may sign alone. Otherwise this form must be signed by a Director jointly with either another Director or Company Secretary. Please indicate the office held in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

6. LODGEMENT OF PROXY

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Registrars Pty Ltd no later than the date and time stated on the form overleaf. Any Proxy form received after that time will not be valid for the scheduled meeting.

The proxy form does not need to be returned to the share registry if the votes have been lodged online.

Security Transfer Registrars Pty Ltd

Online	www.securitytransfer.com.au
Postal Address	PO BOX 535 Applecross WA 6953 AUSTRALIA
Street Address	Alexandrea House Suite 1, 770 Canning Highway Applecross WA 6153 AUSTRALIA
Telephone	+61 8 9315 2333
Facsimile	+61 8 9315 2233
Email	registrar@securitytransfer.com.au

PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Registrars Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Registrars Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.

