

**CAQ Holdings Limited  
(formerly Cell Aquaculture Limited)  
ACN 091 687 740**

**Notice of Annual General Meeting**

**Annual General Meeting to be held at Price  
Sierakowski Corporate, Level 24, 44 St Georges  
Terrace, Perth, Western Australia on Wednesday,  
25 November 2015 commencing at 2:30 pm (WST).**

**IMPORTANT**

This Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their professional adviser prior to voting.

## Notice of Annual General Meeting

Notice is given that the Annual General Meeting of Shareholders of CAQ Holdings (“the Company”) will be held at Price Sierakowski Corporate, Level 24, 44 Georges Terrace, Perth, Western Australia on Wednesday, 25 November 2015, commencing at 2:30 pm (WST).

### Special Business

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#### 1. Item 1 - Annual Report for year ended 30 June 2015

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To receive and consider the Annual Report of the Company for the year ended 30 June 2015 which includes the Financial Report of the Company, the Director's Report, the Remuneration Report and the Auditor's Report.

#### 2. Resolution 1 – Adoption of Remuneration Report

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

*“That, for the purposes 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.”*

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

**Voting Exclusion Statement:** The Company will disregard any votes cast on Resolution 1:

- (a) by or on behalf of a member of Key Management Personnel as disclosed in the Remuneration Report;
- (b) by or on behalf of a Closely Related Party of a member of Key Management Personnel; and
- (c) as proxy by a member of Key Management Personnel or a Closely Related Party.

Unless the vote is cast as proxy for a person entitled to vote in accordance with a direction on the proxy form or by the Chairman pursuant to an express authorisation to exercise the proxy.

#### 3. Resolution 2 – Re-election of KC Ong

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

*“That, Mr KC Ong, who retires by rotation in accordance with clause 11.1.3 of the Constitution, ASX Listing Rule 14.4 and for all other purposes and who is eligible and offers himself for re-election, be re-elected as a Director.”*

#### 4. Resolution 3 – Re-election of Siu Kin Wai (Michael Siu)

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

*“That Mr Siu Kin Wai, who was appointed as a Director by the Board on 20 April 2015 and in accordance with clause 11.4.2 of the Constitution holds office until this Annual General Meeting, and who is eligible, offers himself for re-election, is re-elected as a Director.”*

## 5. Resolution 4 – Re-election of Qian Xu

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

*“That Mr Qian Xu, who was appointed as a Director by the Board on 20 April 2015 and in accordance with clause 11.4.2 of the Constitution holds office until this Annual General Meeting, and who is eligible, offers himself for re-election, is re-elected as a Director.”*

## 6. Resolution 5 – Re-election of Ching Chung

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

*“That Mr Ching Chung, who was appointed as a Director by the Board on 19 May 2015 and in accordance with clause 11.4.2 of the Constitution holds office until this Annual General Meeting, and who is eligible, offers himself for re-election, is re-elected as a Director.”*

## 7. Resolution 6 – Approval of 10% Placement Facility

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

*“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the of the issued capital, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast on Resolution 6 by a person (and any associates of such a person) who may participate in the 10% Placement Facility and a person who might obtain a benefit (and any associates of such a person), except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed.

However, the Company will not disregard a vote if:

- (a) It is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) It is cast by the Chairman 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.

## 8. Resolution 7 – To Increase the Maximum Aggregate Non-Executive Directors' Remuneration

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

*“That, in accordance with clause 11.6.1 of the Constitution, ASX Listing Rule 10.17 and for all other purposes, approval is given to increase the maximum aggregate amount of remuneration payable to all non-executive Directors of CAQ Holdings Limited be increased by \$200,000 to \$400,000.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast on Resolution 7:

- (a) by any Director or any associate of a Director; or
- (b) by or on behalf of a Closely Related Party of a member of Key Management Personnel; and
- (c) as proxy by a member of Key Management Personnel or a Closely Related Party.

Unless the vote is cast as proxy for a person entitled to vote in accordance with a direction on the proxy form or by the Chairman pursuant to an express authorisation to exercise the proxy.

## **Explanatory Statement**

The accompanying Explanatory Statement forms part of this Notice of Annual General Meeting and should be read in conjunction with it.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice.

Shareholders are specifically referred to the Glossary in the Explanatory Statement which contains definitions of capitalized terms used in this notice of Annual General Meeting and the Explanatory Statement.

### **Proxies**

Please note that:

- (a) a Shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company;
- (c) a Shareholder may appoint a body corporate or an individual as its proxy;
- (d) a body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder's proxy; and
- (e) Shareholders entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms. If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate should provide that person with a certificate or letter executed in accordance with the Corporations Act authorizing him or her to act as that company's representative. The authority may be sent to the Company or its share registry in advance of the Annual General Meeting or handed in at the Annual General Meeting when registering as a corporate representative.

### **Voting Entitlements**

In accordance with Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001, the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the register of Shareholders as at 5.00pm (WST) on 23 November 2015. Accordingly, transactions registered after that time will be disregarded in determining Shareholder's entitlement to attend and vote at the Annual General Meeting.

### **By Order of the Board of Directors**



**PAUL PRICE**  
CAQ Holdings Limited  
21 October 2015

## Explanatory Statement

### 1. Annual Report for the year ended 30 June 2015

The Corporations Act requires the Annual Report of the Company for the year ended 30 June 2015, which includes the Financial Report of the Company, the Directors' Report, the Remuneration Report and the Auditor's Report, to be laid before the Annual General Meeting. The financial statements and reports are contained in the Annual Report. Shareholders who have elected to receive the Annual Report have been provided with a copy. The Annual Report is also available on ASX's website.

While no resolution is required in relation to this item, Shareholders will be given the opportunity to ask questions and make comments on the financial statements and reports.

### 2. RESOLUTION 1 – Approval of Remuneration Report

Section 249L(2) of the Corporations Act requires a company to inform shareholders that a resolution on the Remuneration Report will be put at the Annual General Meeting. However, section 250R(3) of the Corporations Act expressly provides that the vote on this Resolution is advisory only and does not bind the Directors of the Company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' Report contained in the Annual Report.

If at least 25% of the votes on this Resolution are voted against adoption of the Remuneration Report at the Annual General Meeting, and then again at the Company's 2016 annual general meeting, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of the Directors ("**Spill Resolution**").

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting ("**Spill Meeting**") within 90 days of the Company's 2015 annual general meeting. All of the Directors who were in office when the Company's 2015 Directors' Report 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 is approved will be the directors of the Company.

In accordance with section 250SA of the Corporations Act, the Chairman will provide a reasonable opportunity for discussion of the Remuneration Report at the Annual General Meeting.

### 3. RESOLUTION 2 – Re-election of KC Ong

In accordance with clause 11.1.3 of the Constitution, at every annual general meeting, one third of the Directors for the time being must retire from office by rotation and are eligible for re-election. The Directors to retire are those who have been in office for 3 years since their appointment or last re-appointment or who have been longest in office since their appointment or last re-appointment or, if the Directors have been in office for an equal length of time, by agreement.

Mr Ong retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-election.

### **3. RESOLUTION 2 – Re-election of KC Ong (continued)**

Information in respect of Mr Ong is set out below:

Mr Ong has over 20 years of extensive and diverse experience in corporate finance and business advisory to corporations in Australia and East Asia. Mr Ong is a Director of Trident Management Services. He is an alumni from Deakin University, Victoria, holding a Bachelor of Commerce degree and is a Certified Practicing Accountant.

The Board (excluding Mr Ong) recommends that Shareholders vote in favour of Resolution 2.

### **4. RESOLUTION 3 – Re-election of Siu Kin Wai (Michael Siu)**

In accordance with clause 11.4.2 of the Constitution, any Director appointed to fill a casual vacancy or as an addition to the Board must retire from office at, and will be eligible for re-election at the next annual general meeting following their appointment, but that Director will not be taken into account in determining the number of Directors who are to retire by rotation.

Information in respect of Mr Siu is set out below:

Mr Siu is an executive Director, Chief Financial Officer and Company Secretary of Beijing Properties (Holdings) Limited (SEHK stock code: 925). Mr Siu is also an independent Non-Executive Director of Agritrade Resources Limited (SEHK stock code: 1131). In addition to this, Mr Siu is a Director of Brilliant Bright Holdings Limited, who is a controlling shareholder of Beijing Properties (Holdings) Limited.

Mr Siu graduated from the City University of Hong Kong with a Bachelor's Degree in Accounting and is a fellow of the Association of Chartered Certified Accountants and a fellow of the Hong Kong Institute of Certified Public Accountants and a member of the Institute of Chartered Accountants in England and Wales. Mr Siu has extensive experience in financial management and corporate advisory in Asia.

The Board (excluding Mr Siu) recommends that Shareholders vote in favour of Resolution 3.

### **5. RESOLUTION 4 – Re-election of Qian Xu**

In accordance with clause 11.4.2 of the Constitution, any Director appointed to fill a casual vacancy or as an addition to the Board must retire from office at, and will be eligible for re-election at the next annual general meeting following their appointment, but that Director will not be taken into account in determining the number of Directors who are to retire by rotation.

Information in respect of Mr Qian is set out below:

Mr Qian Xu is an Executive Director and Chief Executive Officer of Beijing Properties (Holdings) Limited. Mr Qian is also the General Manager and an Executive Director of the Beijing Enterprises Group Real-Estate Co., Ltd. In addition to this, Mr Qian is a Director of Brilliant Bright Holdings Limited, who is a controlling shareholder of Beijing Properties (Holdings) Limited.

## 5. **RESOLUTION 4 – Re-election of Qian Xu (continued)**

Mr Qian graduated from the Economics and Management Faculty of the Beijing Industrial University with a Bachelor's degree in economics and has obtained his Executive Master of Business Administration degree from Tsinghua University. Mr Qian has extensive experience in mergers and acquisitions, corporate restructuring and financial management in Asia.

The Board (excluding Mr Qian) recommends that Shareholders vote in favour of Resolution 4.

## 6. **RESOLUTION 5 – Re-election of Ching Chung**

In accordance with clause 11.4.2 of the Constitution, any Director appointed to fill a casual vacancy or as an addition to the Board must retire from office at, and will be eligible for re-election at the next annual general meeting following their appointment, but that Director will not be taken into account in determining the number of Directors who are to retire by rotation.

Information in respect of Mr Ching is set out below:

Mr Ching has over 30 years experience investing, operating and managing companies in Hong Kong and China. The industries which he has been involved with include gambling, mining and property development. Mr Ching has established relationships with the China Government and various other Chinese associations.

The Board (excluding Mr Ching) recommends that Shareholders vote in favour of Resolution 5.

## 7. **RESOLUTION 6 – Approval of 10% Placement Facility**

### 7.1 **Background**

Listing Rule 7.1A enables eligible entities to issue Equity Securities totalling up to 10% of its issued share capital through placements over a 12 month period after the entity's annual general meeting ("**10% Placement Facility**"). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is now seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2.

The Directors believe that Resolution 6 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

## **7. RESOLUTION 6 – Approval of 10% Placement Facility (continued)**

### **7.2 Description of Listing Rule 7.1A**

#### **(a) Shareholder approval**

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

#### **(b) Equity Securities**

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

As at the date of the Notice, the Company has the following Equity Securities on issue:

- 654,932,730 Shares.

#### **(c) Formula for calculating 10% Placement Facility**

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

**A** is the number of shares on issue 12 months before the date of issue or agreement:

- (A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (B) plus the number of partly paid shares that became fully paid in the 12 months;
- (C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- (D) less the number of fully paid shares cancelled in the 12 months.

Note: A has the same meaning as in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

**D** is 10%.

**E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.



## **7. RESOLUTION 6 – Approval of 10% Placement Facility (continued)**

### **7.2 Description of Listing Rule 7.1A (continued)**

#### **(d) Listing Rule 7.1 and Listing Rule 7.1A**

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (please refer to section (c) above).

#### **(e) Minimum issue price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the volume weighted average market price of Equity Securities in the same class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- i. the date on which the price at which the Equity Securities are to be issued is agreed; or
- ii. if the Equity Securities are not issued within 5 trading days of the date in section i, the date on which the Equity Securities are issued.

#### **(f) 10% Placement Period**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- i. the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- ii. the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking), or such longer period if allowed by ASX (**10% Placement Period**).

### **7.3 Specific information required by Listing Rule 7.3A**

In accordance with Listing Rule 7.3A, the following information is provided to Shareholders in relation to the 10% Placement Facility:

1. The Equity Securities will be issued at an issue price of not less than 75% of the volume weighted average market price for the Company's Equity Securities in the same class calculated over the 15 trading days immediately before:
  - a. the date on which the price at which the Equity Securities are to be issued is agreed; or
  - b. if the Equity Securities are not issued within 5 trading days of the date in Section 7.1.a, the date on which the Equity Securities are issued.

## 7. RESOLUTION 6 – Approval of 10% Placement Facility (continued)

### 7.3 Specific information required by Listing Rule 7.3A (continued)

2. If Resolution 6 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the table below. There is a risk that:
  - a. the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
  - b. the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset, which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of the Notice.

The table also shows:

- i. two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future meetings of Shareholders; and
- ii. two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.

Variable A in Listing Rule 7.1A.2		Dilution		
		\$0.008 50% decrease in market price	\$0.016 current market price	\$0.032 100% increase in market price
Current variable "A" 654,932,730	10% voting dilution	65,493,273 Shares	65,493,273 Shares	65,493,273 Shares
	Funds raised	\$523,948	\$1,047,892	\$2,095,785
50% increase in current variable "A" 982,399,095	10% voting dilution	98,239,909 Shares	98,239,909 Shares	98,239,909 Shares
	Funds raised	\$785,919	\$1,571,839	\$3,143,677
100% increase in current variable "A" 1,309,865,460	10% voting dilution	130,986,546 Shares	130,986,546 Shares	130,986,546 Shares
	Funds raised	\$1,047,892	\$2,095,785	\$4,191,569

## **7. RESOLUTION 6 – Approval of 10% Placement Facility (continued)**

### **7.3 Specific information required by Listing Rule 7.3A (continued)**

#### **Notes and assumptions:**

1. The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
  2. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
  3. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Annual General Meeting.
  4. The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
  5. The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
  6. The issue price is \$0.016, being the closing price of the Shares on ASX on 19 October 2015.
3. The Company will only issue the Equity Securities during the 10% Placement Period. The approval under Resolution 6 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a further transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking).
  4. The Company may seek to issue the Equity Securities under the 10% Placement Facility.

The Company may also issue Equity Securities for non-cash consideration, such as for the acquisition of new assets or investments. If the Company issues Equity Securities for non-cash consideration, the Company will release on valuation of the non-cash consideration that demonstrates that the deemed issue price of the Equity Securities complies with Listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon any issue of Equity Securities.

5. The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the persons to whom the Equity Securities will be issued will be determined on a case-by-case basis having regard to factors which include the following:
  - a. the purpose of the issue;
  - b. the methods of raising funds that are available to the Company including, but not limited to, rights issue or other issues in which existing Shareholders can participate;
  - c. the effect of the issue of the Equity Securities on the control of the Company;
  - d. the financial situation and solvency of the Company;
  - e. prevailing market conditions; and

## **7. RESOLUTION 6 – Approval of 10% Placement Facility (continued)**

### **7.3 Specific information required by Listing Rule 7.3A (continued)**

- e. advice from corporate, financial and broking advisers (if applicable).

The persons issued securities under the 10% Placement Facility have not been determined as at the date of the Notice but are likely to be Exempt Investors.

If the Company is successful in acquiring new resource assets or investments, it is likely that the persons issued securities under the 10% Placement Facility will be the vendors of the new resource assets or investments.

- 6. The Company has previously obtained approval under ASX Listing Rule 7.1A at the Annual General Meeting held on . In accordance with Listing Rule 7.3A.6, the Company has made no issue of equity securities since its last Annual General Meeting.
- 7. A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

## **8. RESOLUTION 7 – To Increase the Maximum Aggregate Non-Executive Director Remuneration**

The current maximum aggregate remuneration payable to all non-executive Directors is \$200,000 per annum ("fee cap"). For the purposes of clause 11.6.1 of the Company's Constitution and ASX Listing Rule 10.17, Shareholder approval is now sought to increase this fee cap by \$200,000 to \$400,000 per annum.

The Executive Director believes that Resolution 7 is in the best interests of the Company and recommend that Shareholders vote in favour of this Resolution.

### **8.1 Reason for the increase**

Following the acquisition of the Haikou Project in March 2015, there has been an increase in the number of non-executive Directors appointed to the Board of CAQ Holdings Limited. The Board considers that it is appropriate to seek approval for an increase in the fee cap to attract and retain high-calibre Board members.

### **8.2 Payments included in the non-executive Directors' fee cap**

The fee cap includes fees that are paid to CAQ Holdings Limited's non-executive Directors for serving on the Board or standing committees of the Board, superannuation contributions made by the Company and its controlled entities and any fees a non-executive Director sacrifices on a pre-tax basis. The fee cap does not include reimbursement of genuine out-of-pocket expenses or special exertion fees.

### **8.3 Amounts paid to non-executive Directors in 2015**

The remuneration of each Director of the Company for the year ended 30 June 2015 is detailed in the Company's 2015 Annual Report.

No securities have been issued to any non-executive Director under ASX Listing Rules 10.11 and 10.14 with shareholder approval within the last three years.

## Glossary

In this Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

<b>Associate</b>	has the meaning set out in sections 11 to 17 of the Corporations Act, as applicable and as applied in accordance with the note to Listing Rule 14.11.
<b>ASX</b>	ASX Limited (ABN 98 008 624 691) or the Australian Securities Exchange, as the context requires.
<b>Board</b>	board of Directors.
<b>Business Day</b>	a day that is not a Saturday, Sunday, public holiday or bank holiday in Perth, Western Australia.
<b>Chairman</b>	Paul Price.
<b>Closely Related Party</b>	means a closely related party of a member of Key Management Personnel as defined in Section 9 of the Corporations Act, being: <ul style="list-style-type: none"><li>(a) a spouse or child of the member;</li><li>(b) a child of that member's spouse;</li><li>(c) a dependant of that member or of that member's spouse;</li><li>(d) anyone else who is one of that member's family and may be expected to influence that member, or be influenced by that member, in that member's dealings with the Company;</li><li>(e) a company that is controlled by that member; or</li><li>(f) any other person prescribed by the regulations.</li></ul>
<b>Company</b>	CAQ Holdings Limited (ACN 091 687 740).
<b>Constitution</b>	Constitution of the Company.
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth).
<b>Director</b>	director of the Company.
<b>Explanatory Statement</b>	this Explanatory Statement accompanying the Notice of Meeting.
<b>Key Management Personnel</b>	means the key management personnel of the Company as defined in Section 9 of the Corporations Act and Australian Accounting Standards Board accounting standard 124, being those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).

## **Glossary (continued)**

<b>Listing Rules</b>	the official listing rules of the ASX as amended from time to time.
<b>Notice of Meeting</b>	the notice convening the Annual General Meeting which accompanies this Explanatory Statement.
<b>Related Party</b>	the meaning give to that term in the Corporations Act.
<b>Resolutions</b>	the resolutions set out in the Notice of Meeting.
<b>Share</b>	fully paid ordinary share in the capital of the Company.
<b>Shareholder</b>	shareholder of the Company.
<b>Voting Power</b>	the meaning given to that term in the Corporations Act.
<b>WST</b>	Western Standard Time in Australia.

**CAQ Holdings Limited**  
**ACN 091 687 740**  
**Proxy Form**

I/We

of

being a member of CAQ Holdings Limited ACN 091 687 740 entitled to attend and vote at the Annual General Meeting, hereby

Appoint

**Name of Proxy**

OR

the Chairman of the Annual General Meeting as your proxy

or failing the person so named or, if no person is named, the Chairman of the Annual General Meeting, or the Chairman's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Annual General Meeting to be held at 2.30pm (WST) on Wednesday, 25 November 2015 at the offices of Price Sierakowski Corporate of Level 24, 44 St Georges Terrace, Perth, Western Australia, and at any adjournment thereof.

If 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) I/we expressly authorise the Chairman of the meeting (to extent permitted by law) to exercise my/our proxy in respect of Resolution 1 even though the Resolution is connected directly or indirectly with the remuneration of a member of key management personnel of CAQ Holdings Limited, which includes the Chairman of the Meeting. If you appoint the Chairman as your proxy you can direct the Chairman how to vote by either marking the boxes in the section.

**The Chairman intends to vote all available proxies in favour of Resolutions 1 to 7**

I/We acknowledge that the Chairman intends to vote undirected proxies in favour of each Resolution, to the extent permitted by law.

OR

Voting on Business of the Annual General Meeting		FOR	AGAINST	ABSTAIN
Resolution 1	Adoption of Remuneration Report – 2015 Annual Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr KC Ong as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Mr Siu Kin Wai (Michael Siu) as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Re-election of Mr Qian Xu as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Re-election of Mr Ching Chung as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	To Increase the Maximum Aggregate Non-Executive Directors' Remuneration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

If two proxies are being appointed, the proportion of voting rights this proxy represents is \_\_\_\_\_%

**Signature of Member(s):**

**Date:** \_\_\_\_\_

**Individual or Member 1**

**Sole Director/Company Secretary**

**Member 2**

**Director**

**Member 3**

**Director/Company Secretary**

**Contact Name:** \_\_\_\_\_ **Contact Ph (daytime):** \_\_\_\_\_

## How to complete this Proxy Form

### 1 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.**

### 2 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.

### 3 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.

### 4 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 please write the name of that person.

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

### 5 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.

### 6 Lodgment 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 ie. no later than 2.30pm (WST) on Monday, 23 November 2015. 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 Level 24, 44 St Georges Terrace, Perth WA 6000 or sent by facsimile to the registered office on (08) 9218 8875.**