
ALTECH CHEMICALS LIMITED

ACN 125 301 206

NOTICE OF ANNUAL GENERAL MEETING

TIME: 11:00am (WST)

DATE: Thursday 14 November 2019

PLACE: Altech Chemicals Limited
Suite 8
295 Rokeby Road
Subiaco WA 6008

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary, Shane Volk, on +61 8 6168 1555.

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IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 11:00am (WST) on Thursday 14 November 2019 at:

Suite 8, 295 Rokeby Road, Subiaco, WA 6008.

YOUR VOTE IS IMPORTANT

The business of the Annual General Meeting affects your shareholding and your vote is important.

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 5:00pm (WST) on Tuesday 12 November 2019.

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.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- 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.

Further details on these changes is set out below.

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

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2019 together with the Declaration of the Directors, the Directors' Report, the Remuneration Report and the auditor's report.

2. 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 2019.”

Note: 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 the 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 this 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 the Key Management Personnel for the Company, or if the Company is part of a consolidated entity, for the entity.

3. RESOLUTION 2 – APPROVAL OF 10% PLACEMENT CAPACITY

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 Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement.”

Short Explanation: Approval is being sought for the Company to issue new shares of up to 10% of its total shares on issue 12 months prior to the proposed new share issue under ASX Listing Rule 7.1A, which is additional to the 15% annual placement capacity that is available to the Company under ASX Listing Rule 7.1. This will provide the Company with flexibility to raise capital during the next 12 months over and above the 15% placement capacity.

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who may participate in the issue of Equity Securities under this Resolution or a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed, or any associates of those persons. However, the Company will 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.

4. **RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR PETER BAILEY**

Under the Company's constitution one third of Directors must retire at the Company's Annual General Meeting. Mr Bailey is therefore retiring and seeking re-election.

The Company is seeking the re-election of Mr Bailey to continue as a non-executive Director of the Company. Mr Bailey has extensive experience in the resources industry as a director of publicly listed and private companies; he brings significant experience in project development and mining to the Board. Accordingly, the Company proposes that Shareholders consider and, if thought fit, pass, with or without amendment, the following Resolution as an ordinary resolution:

"That, for the purpose of clause 14.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Peter Bailey, a Director, retires by rotation, and being eligible, is re-elected as a Director."

Short Explanation: Mr Peter Bailey retires as a Director of the Company, and being eligible seeks re-election as a Director of the Company under this Resolution. Each other Director of the Company supports the re-election of Mr Bailey as a Director.

5. **RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SHARES**

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

"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 19,513,204 Shares on the terms and conditions set out in the Explanatory Statement."

Short Explanation: On 16 August 2019 the Company issued 19,513,204 Shares at an issue price of \$0.08415 per Share, as part of the consideration payable by the Company for its acquisition of 29% of the issued capital of Frankfurt Stock Exchange listed Youbisheng Green Paper AG (since re-named Altech Advanced Materials AG). The issue was made in accordance with the Company's available placement capacity under ASX Listing Rule 7.1. Resolution 4 is seeking Shareholder approval for the ratification of the issue of these 19,513,204 Shares by the Company.

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. 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.

6. RESOLUTION 5 – APPROVAL OF PLACEMENT OF SHARES TO MELEWAR GROUP

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 10.11 and for all other purposes, Shareholder approval is given for the Company to issue up to 18,433,180 Shares to Melewar Group (or its nominees) on the terms and conditions set out in the Explanatory Statement.”

Short Explanation: On 16 April 2019, the Company announced that it would be undertaking a placement of Shares to various professional and sophisticated investors to raise \$18 million and that the Melewar Group (controlled by Company Non-Executive Director – Tunku Yaacob Khyra) had agreed to subscribe for \$2.0 million worth of Shares under the placement. At a General Meeting on 6 June 2019, Shareholders approved a resolution for the Company to issue \$2.0 million of shares to Melewar Group at \$0.1085 per Share. ASX Listing Rule 10.11 required that the Company issue the shares within one (1) month from obtaining Shareholder approval (or a longer period, if allowed by the ASX). As at the date of this Notice of Meeting the Melewar Group had not remitted the \$2.0 million for the share subscription, due to corporate and administrative issues, and consequently the Company had not issued the Shares. However, the Melewar Group has advised the Company that it remains committed to the Share subscription, the Company is therefore requesting that Shareholders re-approve for the Company to issue 18,433,180 Shares at an issue price of \$0.1085 per Share to the Melewar Group.

The effect of Shareholders approving Resolution 5 is that the Company can issue the Shares without impacting on its 15% and 10% annual placement capacity under ASX Listing Rules 7.1 and 7.1A. Refer to the Explanatory Statement for details.

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Melewar Group (or its nominee) or any of their associates. 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.

BY ORDER OF THE BOARD



SHANE VOLK
COMPANY SECRETARY
ALTECH CHEMICALS LIMITED

7 OCTOBER 2019

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information that 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.

1. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

1.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company 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; and
- (c) a member of the Company 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.

2. FINANCIAL STATEMENTS AND REPORTS

In accordance with section 317 of the Corporations Act and the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2019 together with the Declaration of the Directors, the Directors' Report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at <http://www.altechchemicals.com>.

3. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

3.1 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 the 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 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 financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

3.2 Voting consequences

A company is required to put to its 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 vote. If required, the Spill Resolution must be put to 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.

3.3 Previous voting results

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, the Spill Resolution is not relevant for this Annual General Meeting.

3.4 Proxy voting restrictions

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

Proxy	Directions given	No directions given
Key Management Personnel ¹	Vote as directed	Unable to vote ³
Chair ²	Vote as directed	Able to vote at discretion of Proxy ⁴
Other	Vote as directed	Able to vote at discretion of Proxy

Notes:

¹ Refers to 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.

² Refers to the Chair (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report), or a Closely Related Party of such a member).

³ 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.

⁴ The Proxy Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions.

4. RESOLUTION 2 – APPROVAL OF 10% PLACEMENT CAPACITY

4.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital (10% Placement Capacity).

The Company is an Eligible Entity.

If Shareholders approve Resolution 2, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

The effect of Resolution 2 will be to allow the Directors to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under ASX Listing Rule 7.1.

Resolution 2 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 2 for it to be passed.

4.2 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A enables an Eligible Entity to seek Shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

As at the date of this Notice, the Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of approximately \$92,891,734 (based on the number of Shares on issue and to be issued, and the closing price of \$0.125 on the ASX on 4 October 2019).

An Equity Security is a share, a unit in a trust, a right to a share or unit in a trust or option, an option over an issued or unissued security, a convertible security, or, any security that ASX decides to classify as an equity security.

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

As at the date of this Notice, the Company currently has 1 class of quoted Equity Securities on issue, being the Shares (ASX Code: ATC).

If Shareholders approve Resolution 2, the number of Equity Securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

4.3 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 2:

(a) **Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX 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 (five) ASX trading days of the date in Section 4.3(a)(i), the date on which the Equity Securities are issued.

(b) **Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under ASX Listing Rule 7.1A ceases to be valid),

(10% Placement Capacity Period).

(c) **Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 2 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the current number of Equity Securities on issue as 4 October 2019.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue (Variable "A" in Listing Rule 7.1A)	Dilution			
	Issue Price (per Share)	\$0.0625 (50% decrease in current issue price)	\$0.125 (Current issue price)	\$0.1875 (50% increase in current issue price)
743,133,873 (Current Variable A)	Shares issued – 10% voting dilution	74,313,387	74,313,387	74,313,387
	Funds Raised	\$4,644,587	\$9,289,173	\$13,933,760
1,114,700,810 (50% increase in Variable A)*	Shares issued – 10% voting dilution	111,470,081	111,470,081	111,470,081
	Funds Raised	\$6,966,881	\$13,933,760	\$20,900,640
1,486,267,746 (100% increase in Variable A)*	Shares issued – 10% voting dilution	148,626,775	148,626,775	148,626,775
	Funds Raised	\$9,289,173	\$18,578,347	\$27,867,520

* The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under ASX Listing Rule 7.1.

The table above uses the following assumptions:

1. There are currently 743,133,873 Shares on issue.
2. No Performance Rights vest and convert to Shares before the date of the issue of the Equity Securities.
3. The issue price set out above is the closing price of the Shares on the ASX on 4 October 2019.
4. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
5. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
6. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
7. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
8. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
9. 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%.
10. 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 Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) **Purpose of Issue under 10% Placement Capacity**

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration in which case the Company intends to use funds raised for the continued development of the Company's High Purity Alumina Project, acquisition of new resources, assets and investments (including expenses associated with such an acquisition) and general working capital; or
- (ii) as non-cash consideration for the acquisition of new resources assets and investments, in such circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3.

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

(e) **Allocation under the 10% Placement Capacity**

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s).

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company. The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

(f) **Previous Approval under ASX Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders under ASX Listing Rule 7.1A at its annual general meeting held on 13 November 2018.

During the 12-month period preceding the date of the Meeting, being on and from 14 November 2018, the Company has issued 170,573,881 Shares which represents approximately 30% of the total diluted number of Equity Securities on issue in the Company on 14 November 2018, which was 572,559,992.

Further details of the issues of Equity Securities by the Company during the 12-month period preceding the date of this Meeting are set out in the table below.

Date	Recipients	Equity Security	Price (and discount to market if any) ¹	Key terms	Amount Raised Use of Funds or non-cash Consideration ²
26 April 2019 Appendix 3B– 26-April-2019	Participants in Share Placement	131,127,497 Shares	\$0.1085 per Share, representing a 16.5% discount to the volume weighted average price of the Company's shares as traded on the ASX during the 15 days up to and including 11 April 2019.	Issued to various professional and sophisticated investors.	Cash: Amount raised = \$14,227,333 Amount spent = \$13,500,000 (approximately) Funds were used to continue development of the Company's high purity alumina (HPA) plant, and for corporate and general working capital purposes.
14 June 2019 Appendix 3B– 14-June-2019	Participants in Share Placement	18,433,180 Shares	\$0.1085 per Share, representing a 16.5% discount to the volume weighted average price of the Company's shares as traded on the ASX during the 15 days up to and including 11 April 2019.	Issued to SMS Investments SA	Cash: Amount raised = \$2,000,000 Amount spent = \$0 Funds will be used to continue development of the Company's high purity alumina (HPA) plant, and for corporate and general working capital purposes.
19 July 2019 Appendix 3B – 19 July 2019	Employee of the Company	1,000,000 Shares	Nil cash consideration	Issue if Shares upon conversion of vested Performance Rights. Performance Rights terms are set out in the Company's 2018/19 Annual Financial Statements	Non-cash consideration Issued upon conversion of vested Performance Rights. Current value = \$125,000 ⁴
31 July 2019 Appendix 3B – 31 July 2019	Employee of the Company	500,000 Shares	Nil cash consideration	Issue if Shares upon conversion of vested Performance Rights. Performance Rights terms are set out in the Company's 2018/19 Annual Financial Statements	Non-cash consideration Issued upon conversion of vested Performance Rights. Current value = \$62,500 ⁴
16 August 2019 Appendix 3B– 16-August- 2019	Share based payment to Deutsche Balaton AG, Germany	19,513,204 Shares	Nil cash consideration	Partial consideration for the acquisition of 29% of the issued capital of German public company Youbisheng Green Paper AG, since renamed Altech Advanced Materials AG	Non-cash consideration Current value = \$2,439,151 ⁴ Youbisheng

Notes:

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.
3. Fully paid ordinary shares in the capital of the Company, ASX Code: ATC (terms are set out in the Constitution).
4. The value of Shares is based on the closing price of the Shares of \$0.125 on the ASX on 4 October 2019.

(g) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it will give to ASX:

- (i) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 3.10.5A for release to the market.

4.4 Voting Exclusion

A voting exclusion statement is included in this Notice.

As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 2.

5. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – PETER BAILEY

ASX Listing Rule 14.4 and clause 14.2 of the Constitution provide that, other than a managing director, a director of an entity must not hold office (without re-election) past the third AGM following the director's appointment or 3 years, whichever is the longer. However, where there is more than one managing director, only one is entitled to be exempt from this rotation requirement.

Mr Peter Bailey, who was last re-elected at the Company's 2016 Annual General Meeting, will retire in accordance with clause 14.2 of the Constitution and ASX Listing Rule 14.4 and, being eligible, seeks re-election.

Peter Bailey

Mr Peter Bailey is a highly experienced and qualified engineer with over 40 years experience in the mining and industrial chemical production industry. Mr Bailey spent the majority of his career in the alumina chemicals and alumina refining industries. He was previously chief executive officer at Sherwin Alumina, an alumina refinery located in Texas, USA.

If elected the board considers Mr Bailey will be an independent director.

The board supports the re-election of Mr Bailey and recommends that Shareholders vote in favour of Resolution 3.

6. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SHARES

On 16 August 2019 the Company issued 19,513,204 Shares at a deemed issue price of \$0.08415 per Share, as part of the consideration payable by the Company for its acquisition of 29% of the issued capital of Frankfurt Stock Exchange listed Youbisheng Green Paper AG (since re-named Altech Advanced Materials AG). The issue was made in accordance with the Company's available placement capacity under ASX Listing Rule 7.1.

Resolution 4 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of these Shares (Ratification).

6.1 ASX Listing Rule 7.1

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 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

6.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 19,513,204 Shares were issued;
- (b) the shares were issued for nil cash consideration;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to Deutsche Balaton AG, a professional investor pursuant to section 708(11) of the Corporations Act. The subscribers is not a related party of the Company; and
- (e) the Shares issued were part of the total consideration payable by the Company for its acquisition of 29% of the issued capital of Youbisheng Green Paper AG (since re-named Altech Advanced Materials AG), a German public company with its shares listed on the Frankfurt Stock Exchange.

7. RESOLUTION 5 – APPROVAL OF PLACEMENT OF SHARES TO MELEWAR GROUP

Resolution 5 seeks Shareholder approval for the issue of up to 18,433,180 Shares at an issue price of \$0.1085 per Share to Melewar Group (an entity controlled by Company Non-Executive Director – Tunku Yaacob Khyra) (or its nominee) pursuant to the Placement.

Background

On 16 April 2019, the Company announced that it would be undertaking a placement of Shares to various professional and sophisticated investors to raise \$18 million and that the Melewar Group (controlled by Company Non-Executive Director – Tunku Yaacob Khyra) had agreed to subscribe for \$2.0 million worth of Shares under the placement. At a General Meeting on 6 June 2019, Shareholders approved a resolution for the Company to issue \$2.0 million of shares to Melewar Group at \$0.1085 per Share. ASX Listing Rule 10.11 required that the Company issue the shares within one (1) month from obtaining Shareholder approval (or a longer period, if allowed by the ASX). As at the date of this Notice of Meeting the Melewar Group had not remitted the \$2.0 million for the share subscription, due to corporate and administrative issues, and consequently the Company had not issued the Shares. However, the Melewar

Group has advised the Company that it remains committed to the Share subscription. The Company is therefore requesting that Shareholders re-approve for the Company to issue 18,433,180 Shares at an issue price of \$0.1085 per Share to the Melewar Group.

ASX Listing Rule 10.11 and Chapter 2E of the Corporations Act provides a general restriction against a company issuing securities to related parties without the prior approval of Shareholders.

Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The participation of Melewar Group in the Placement will result in the issue of Shares which constitutes giving a financial benefit and Melewar Group is a related party of the Company by virtue of being controlled by a Director of the Company (Tunku Yaacob Khyra).

The Directors (other than Tunku Yaacob Khyra who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of this issue of Shares, the subject of Resolution 5, because the Shares will be issued to Melewar Group (or its nominees) on the same terms as Shares issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the Placement involves the issue of Shares to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

ASX Listing Rule 10.11 restricts the Company's ability to issue securities to directors unless approval is obtained from Shareholders. The effect of passing Resolution 5 will be to allow the Company to issue a maximum of up to 18,433,180 Shares to Melewar Group (or its nominee) within one (1) month after the Meeting (or a longer period, if allowed by ASX) without breaching Listing Rule 10.11 or using up the Company's 15% placement capacity under ASX Listing Rule 7.1 of its 10% placement capacity under ASX Listing Rule 7.1A.

Technical information required by ASX Listing Rule 10.13

ASX Listing Rule 10.13 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to ASX Listing Rule 10.11:

- (a) the Shares shall be issued to Melewar Group (or its nominees);
- (b) the maximum number of Shares the Company will issue is 18,433,180;
- (c) the Shares will be issued no later than one (1) month after the date of the Meeting, or such longer period of time as ASX may in its discretion allow;
- (d) Shares will be issued by the Company at an issue price of \$0.1085 each per Share, being the same as all other Shares issued to other participants the Placement;

- (e) the Shares will be all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the Company intends to use the funds raised from this issue towards the continuation of construction of the Company's Malaysian high purity alumina plant (stage 2), the payment of the balance of stage 1 construction activities and for corporate and general working capital purposes.

8. ENQUIRIES

Shareholders are requested to contact the Company Secretary, Shane Volk, on (+61 8) 6168 1555 or shane@altechchemicals.com if they have any queries in respect of the matters set out in these documents.

GLOSSARY

10% Placement Capacity has the meaning given in section 4.1 of the Explanatory Statement.

\$ means Australian dollars.

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

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of Directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

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

1. a spouse or child of the member;
2. a child of the member's spouse;
3. a dependent of the member or the member's spouse;
4. 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;
5. a company the member controls; or
6. a person prescribed by the *Corporations Regulations 2001 (Cth)*.

Company means Altech Chemicals Limited (ACN 125 301 206).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
7. has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

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.

Melewar Group means Melewar Equities (BVI) Ltd and MAA Group Berhad.

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.

Ordinary Securities has the meaning set out in the ASX Listing Rules.

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 30 June 2019.

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

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

Shareholder means a registered holder of a Share.

Variable A means "A" as set out in the formula prescribed in ASX Listing Rule 7.1A.2.

VWAP means the Volume Weighted Average Price.

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

APPOINTMENT OF PROXY FORM

ALTECH CHEMICALS LIMITED
ACN 125 301 206

ANNUAL GENERAL MEETING

I/We

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

OR: the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair'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 Meeting to be held at Suite 8, 295 Rokeby Road, Subiaco at 11.00am WST on 14 November 2019, and at any adjournment thereof.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

Voting on business of the Meeting		FOR	AGAINST	ABSTAIN
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Mr Peter Bailey as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of prior issued of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of placement of Shares to Melewar Group (or nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please 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 be counted in computing the required majority on a poll.

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

Signature of Shareholder(s):

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date: _____

Contact name: _____ Contact ph (daytime): _____

E-mail address: _____ Consent for contact by e-mail: YES NO

Instructions for Completing 'Appointment of Proxy' Form

1. (Appointing a proxy): A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. (Direction to vote): A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. (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 should sign.
 - (Power of attorney): If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
 - (Companies): Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. (Attending the Meeting): Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. (Return of Proxy Form): To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) e-mail to the Company at shane@altechchemicals.com; or
 - (b) post to Altech Chemicals Limited, Suite 8, 295 Rokeby Road, Subiaco WA 6008 ; or
 - (c) facsimile to the Company on facsimile number +61 8 6168 1551.

so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy Forms received later than this time will be invalid.

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