FBR Limited
ACN 090 000 276

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of the Company will be held in the Main Hall at the University of Western Australia Nedlands Park Masonic Hall Building, 8 Broadway, Crawley WA 6009 on 26 November 2019 at 11:00am (AWST).

This Notice of Annual General Meeting and accompanying Explanatory Memorandum and Proxy Form should be read in their entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on (08) 9380 0240.

FBR LIMITED
ACN 090 000 276

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that an annual general meeting of Shareholders of FBR Limited (**Company**) will be held in the Main Hall at the University of Western Australia Nedlands Park Masonic Hall Building, 8 Broadway, Crawley WA 6009 on 26 November 2019 at 11:00am (AWST) (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on 24 November 2019 at 5.00pm (AWST).

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Section 9.

AGENDA

Annual Report

To table and consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2019, which includes the Financial Report, the Directors' Report and the Auditor's Report.

Note: This item of business is for discussion only and is not a resolution.

1. Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the Company (which is contained in the Directors' Report in the Annual Report) for the financial year ended 30 June 2019 be adopted."

Note: Under section 250R(3) of the Corporations Act, the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion

The Company will disregard any votes cast (in any capacity) on this Resolution by or on behalf of any of the following persons:

1. a member of the Key Management Personnel, details of whose remuneration details are included in the Remuneration Report; or

2. a Closely Related Party of such member.

However, a person described above may cast a vote on this Resolution if:

(a) 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

(b) it is cast by the Chair as proxy for a person who is entitled to vote and the Chair has received express authority to vote undirected proxies as the Chair sees fit, even if this

Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

2. Resolution 2 – Election of Director – Mr Grant Anderson

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Article 6.3 of the Constitution, Listing Rule 14.4 and for all other purposes, Mr Grant Anderson, who was appointed as an additional Director by the Board on 17 October 2019 under Article 6.2(b) of the Constitution, and who retires and is eligible for re-election as a Director, is so re-elected."

3. Resolution 3 – Re-Election of Director – Mr Mark Pivac

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That Mr Mark Pivac, a Director who retires by rotation in accordance with Article 6.3 of the Constitution, Listing Rule 14.4 and for all other purposes, being eligible and offering himself for re-election, is so re-elected."

4. Resolution 4 – Ratification of Issue of Placement Shares under Listing Rule 7.1

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rules 7.1 and 7.4 and for all other purposes, Shareholders ratify and approve the previous issue of 161,904,769 Shares to professional and sophisticated investors on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the issue or an associate of that person (or those persons). However, the Company need 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 the directions on the Proxy Form; or

(b) it is cast by the Chair 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.

5. Resolution 5 – Approval of 10% Placement Facility

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

"That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the issue of up to that number of Equity Securities as is equal to up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of Equity Securities under this Resolution, except a benefit solely by reason of being a holder of ordinary securities, if the Resolution is passed or any associates of that person (or those persons).

However, the Company need not disregard a vote if:

1. it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or

2. it is cast by the Chair 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 6 – Conditional Spill Resolution

Note: the following Resolution is conditional and will only be put in the event that at least 25% of the votes cast on Resolution 1 in this Notice being cast AGAINST the adoption of the Remuneration Report. A vote "for" Resolution 6 is a vote for a Spill Meeting.

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution:**

"That, subject to and conditional on at least 25% of the votes cast on the resolution proposed in Resolution 1 being cast against the adoption of the Remuneration Report:

*(a) a general meeting (**Spill Meeting**) be held within 90 days after the passing of this resolution;*

(b) all of the Company's Directors who were Directors of the Company when the Board resolution to make the Directors' Report for the financial year ended 30 June 2019 was passed (other than the Managing Director), and who remain Directors at the time of the Spill Meeting, cease to hold office immediately before the end of the Spill Meeting; and

(c) resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting pursuant to paragraph (b) above must be put to the vote of Shareholders at the Spill Meeting."

Dated 23 October 2019

BY ORDER OF THE BOARD



Rachelle Brunet
Company Secretary

FBR LIMITED
ACN 090 000 276

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Annual General Meeting to be held in the Main Hall at the University of Western Australia Nedlands Park Masonic Hall Building, 8 Broadway, Crawley WA 6009 on 26 November 2019 at 11:00am (AWST).

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions set out in the Notice.

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

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

2.1 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. Lodgment of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

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

1. a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;

2. a proxy need not be a member of the Company; and

3. 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.

3. Annual Report

Shareholders will be offered the opportunity to discuss the Annual Report at the Meeting. Copies of the Annual Report can be found on the Company's website www.fbr.com.au or are available by contacting the Company on (08) 9380 0240.

There is no requirement for Shareholders to approve the Annual Report.

Shareholders will be offered a reasonable opportunity to:

1. discuss the Annual Report for the financial year ended 30 June 2019;

2. ask questions or make comment on the management of the Company;

3. ask questions about, or make comment on, the Remuneration Report; and

4. ask the auditor questions about:

   (a) the conduct of the audit;

   (b) the preparation and content of the Auditor's Report;

   (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and

   (d) the independence of the auditor in relation to the conduct of the audit.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's auditor about:

1. the content of the Auditor's Report; or

2. the conduct of the audit of the Financial Report,

may be submitted no later than five business days before the Meeting to the Company Secretary at the Company's registered office.

4. Resolution 1 – Adoption of Remuneration Report

The Annual Report for the year ended 30 June 2019 contains the Remuneration Report which:

1. sets out the remuneration policy for the Company;

2. discusses the relationship between the remuneration policy and the Company's performance; and

3. details the remuneration arrangements of Key Management Personnel, including the Managing Director, senior executives and non-executive Directors.

The Remuneration Report is contained within the Directors' Report in the Company's Annual Report (pages 12 to 25).

Voting on the adoption of the Remuneration Report is for advisory purposes only and will not bind the Directors or the Company. The Chair will allow reasonable opportunity for Shareholders to ask questions about, or comment on, the Remuneration Report at the meeting.

Section 250R(3) of the Corporations Act provides that the vote on the adoption of the Remuneration Report is for advisory purposes only and will not bind the Directors of the Company. However, under the Corporations Act if there are two consecutive votes at annual general meetings of the Company against the Company's remuneration report of 25% or more (each year's votes being considered a **Strike**), at the second consecutive annual general meeting at which a Strike occurs (**Second Strike**), a resolution must be put to Shareholders to hold another meeting where each Director is nominated for re-election (**Spill Resolution**). If the Spill Resolution is passed, then the Company is required to hold an additional general meeting

(**Further Meeting**) within 90 days of the Spill Resolution. At the Further Meeting all Directors (excluding the Managing Director) must be nominated for re-election.

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were greater than 25% and a first Strike was issued. Accordingly, the Spill Resolution may be relevant for this Annual General Meeting.

Voting Restrictions

Section 250R(4) of the Corporations Act prohibits any votes on this Resolution being cast by Key Management Personnel (or their associates) whose remuneration details are disclosed in the Remuneration Report. However, an exception to this prohibition exists to enable the Chair to vote Shareholders' undirected proxy votes. In this regard, you should specifically note that if you appoint the Chair as your proxy and you indicate on the Proxy Form you do not wish to specify how the Chair should vote on Resolution 1, the Chair will cast your votes in favour of Resolution 1.

If you wish to appoint the Chair as your proxy but do NOT want your votes to be cast in favour of Resolution 1, you must indicate your voting intention by marking either 'against' or 'abstain' against Resolution 1 in the Proxy Form.

5. Resolutions 2 & 3 – Election of Directors

5.1 General

The Constitution allows the Directors to appoint a person to be a Director at any time, either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to Article 6.3(j) of the Constitution and Listing Rule 14.4, any Director so appointed holds office only until the next following annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Grant Anderson, having been appointed as a Director by the other Directors on 17 October 2019, will retire in accordance with the Constitution and Article 6.3(j) of the Constitution and Listing Rule 14.4 and, being eligible, seeks re-election by Shareholders.

Mr Mark Pivac, in accordance with Article 6.3 of the Constitution, Listing Rule 14.4, retires and being eligible for re-election, offers himself for re-election at the Meeting.

The Company confirms that the re-election of Messrs Anderson and Pivac will not breach the Constitution.

5.2 Qualifications

Mr Grant Anderson

Grant Anderson is an experienced international Chairman, Non- executive Director, CEO, Managing Director, Executive Director and consultant with over 30 years board experience across the technology, manufacturing, automotive, environmental services and logistics sectors for both publicly listed and private companies.

Mr Mark Pivac

Mark Pivac is the primary inventor of FBR's automated bricklaying technology. He is an aeronautical and mechanical engineer with over 25 years' experience working on the development of high technology equipment ranging from lightweight aircraft to heavy off-road equipment. He has 20 years' experience working with pro/engineer 3D CAD software as well as high-level mathematics, including matrix mathematics, robot transformations and vector mathematics for machine motion. Mark has also worked extensively with design, commissioning and fault finding on servo controlled motion systems achieving very high dynamic performance.

5.3 Independence

If elected, the Board considers Mr Anderson will be an independent Director.

If re-elected, the Board considers Mr Pivac will be an non-independent Executive Director.

5.4 Board recommendation

The Board (other than as regards each Director who is the subject of their own appointment Resolution) supports the election of each of the Directors and recommends that Shareholders vote in favour of each of Resolutions 2 and 3.

6. Resolutions 4 – Ratification of Issue of Placement Shares under Listing Rule 7.1

6.1 Background

On 25 February 2019, the Company announced a capital raising, arranged by Bell Potter Securities, through the issue of a total of 161,904,769 Shares (**Placement Shares**) to sophisticated and professional investors, and clients of Bell Potter Securities, at an issue price of $0.105 per Placement Share to raise a total of $17,000,000 (before costs) (**Placement**).

The Placement Shares were issued on 1 March 2019 under the Company's Listing Rule 7.1 capacity.

Resolution 4 seeks Shareholder ratification of the issue of the Placement Shares.

Funds raised from the Placement were utilised to partially fund Hadrian X development costs and ongoing corporate overheads.

6.2 ASX Listing Rule 7.1

Subject to certain exceptions, Listing Rule 7.1 prevents a company in any 12 month period from issuing or agreeing to issue new Equity Securities, or other securities with rights of conversion to Equity Securities (such as an Option), which amount to more than 15% of the Company's ordinary securities on issue, without shareholder approval.

6.3 ASX Listing Rule 7.4

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval under Listing Rule 7.1, provided the issue did not breach Listing Rule 7.1. The effect of such ratification is to restore a company's maximum discretionary power to issue further securities up to the limit imposed by Listing Rule 7.1.

The Company confirms the issue of the Placement Shares the subject of Resolution 4 did not breach Listing Rule 7.1.

The Company wishes to ratify the issue of the Placement Shares the subject of Resolution 4 pursuant to Listing Rule 7.4, in order to allow the Company to have the right to place up to a further 15% of its issued capital under Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

The following information is provided to Shareholders for the purposes of Listing Rule 7.5 in relation to Resolution 4:

(a) On 1 March 2019, the Company issued 161,904,769 Placement Shares pursuant to Listing Rule 7.1;

(b) the Placement Shares were issued for $0.105 each, raising a total of $17,000,000 (before costs);

(c) the Placement Shares are fully paid ordinary shares that rank equally in all respects with the Company's existing Shares;

(d) the Placement Shares were issued to sophisticated and professional investors (within the meaning of sections 708(8) – (11) of the Corporations Act), none of whom are Related Parties of the Company;

(e) the Placement Shares were issued to partially fund Hadrian X development costs and ongoing corporate overheads; and

(f) a voting exclusion statement has been included in the Notice of Meeting for the purposes of Resolution 4.

6.4 Board recommendation

If Resolution 4 is passed, the 15% limit imposed by Listing Rule 7.1 will be renewed to the extent of the ratification. The Board unanimously recommends Shareholders vote in favour of Resolution 4.

7. Resolution 5 – Approval of 10% Placement Facility

7.1 General

Listing Rule 7.1A enables an eligible entity to issue Equity Securities up to 10% of its issued share capital through placements over a 12-month period after the 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 (excluding restricted securities and securities quoted on a deferred settlement basis) of $300 million or less. The Company is an eligible entity as at the time of this Notice of Meeting as it is not included in the S&P 300 Index and has a current market capitalisation of approximately $85 million. The Company expects to continue to be an eligible entity at the date of the Meeting.

The Company previously received Shareholder approval for the 10% Placement Facility at the Company's previous annual general meeting held on 21 November 2018 and this approval will expire on 21 November 2019 (or earlier if Shareholders approve a transaction under Listing Rule 11.1.2 or 11.2).

The Company is now seeking fresh 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 (refer to Section 7.2(c) below).

7.2 Requirements under 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 the Annual General Meeting, which requires the approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the cast of a corporate Shareholder, by a corporate representative). A resolution under Listing Rule 7.1A cannot be put at any other Shareholder 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 on issue one class of quoted Equity Securities, being 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 x D) – E

Where:

A is the number of fully paid ordinary shares on issue 12 months before the date of issue or agreement:

(d) plus the number of fully paid ordinary shares issued in the 12 months under an exception in Listing Rule 7.2;

(e) plus the number of partly paid ordinary shares that became fully paid in the 12 months;

(f) plus the number of fully paid ordinary shares issued in the 12 months with the approval of shareholders under Listing Rules 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;

(g) less the number of fully paid ordinary shares cancelled in the 12 months.

Note: A has the same meaning 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.

(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.

At the date of this Notice, the Company has on issue 1,404,131,512 Shares. If Resolution 5 is passed, the Company will be permitted to issue (as at the date of this Notice):

(a) 210,619,726 Equity Securities under Listing Rule 7.1; and

(b) 140,413,151 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities the Company will be permitted to issue under Listing Rule 7.1A will be calculated at the date of issue or agreement to issue the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 7.2(c) above).

The effect of Resolution 5 will be to allow the Company to issue Equity Securities under Listing Rule 7.1A without using the Company's placement capacity under Listing Rule 7.1.

7.3 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

(a) Listing Rule 7.3A.1 – Minimum price

The issue price of the new Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of the Company's Equity Securities in the relevant quoted class calculated over the 15 Trading Days on which trades in that class were recorded 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 five Trading Days of the date in paragraph (a) above, the date on which the Equity Securities are issued.

(b) Listing Rule 7.3A.2 – Risk of economic and voting dilution

If Resolution 5 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Options, only if the Options are exercised) to the extent Shareholders do not receive any Shares under the issue. There is a risk:

(c) the market price for the Company's existing Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and

(d) the new 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 Shares for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice. For the purpose of Listing Rule 7.3A.2, the table also shows:

- 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 entitlement issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and

- two examples, 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**		
		$0.031 **50% decrease in Issue Price**	**$0.063** **Current Market/ Issue Price**	**$0.94** **50% increase in Issue Price**
Current Variable A 1,404,131,512 Shares	**10% Voting Dilution**	140,413,151 Shares	140,413,151 Shares	140,413,151 Shares
	Funds Raised	$4,352,808	$8,705,615	$13,198,836
50% Increase in Variable A 2,106,197,268 Shares	**10% Voting Dilution**	210,619,726 Shares	210,619,726 Shares	210,619,726 Shares
	Funds Raised	$6,529,212	$13,058,423	$19,798,254
100% Increase in Variable A 2,808,263,024 Shares	**10% Voting Dilution**	280,862,302 Shares	280,862,302 Shares	280,862,302 Shares
	Funds Raised	$8,705,615	$17,411,231	$26,397,672

The table has been prepared on the following assumptions:

(a) the Company issues the maximum number of Equity Securities available under the 10% Placement Facility;

(b) no Options or performance rights are exercised into Shares before the date of the issue of the Equity Securities;

(c) 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%;

(d) 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 Meeting;

(e) 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;

(f) the issue of Equity Securities under the 10% Placement Facility consists only of Shares; and

(g) the issue price is $0.063, being the closing price of the Shares on ASX on 16 October 2019.

(c) Listing Rule 7.3A.3 – Placement Period

The Company previously received Shareholder approval for the 10% Placement Facility at its annual general meeting held on 21 November 2018. This approval is valid as at the date of this Notice. Shareholder approval of the 10% Placement Facility sought at the Annual General Meeting under Listing Rule 7.1A will be valid from the date of the Meeting and ceases to be valid on the earlier to occur of:

- the date that is 12 months after the date of the Annual General Meeting; or
- 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 later period as allowed by ASX.

(d) Listing Rule 7.3A.4 – Purposes for which the new Equity Securities may be issued

The Company intends to use the consideration from any Shares issued under the 10% Placement Facility for the following purposes:

- cash consideration to raise funds to accelerate the development and commercialisation of the Company's core technology and business and for general working capital; or
- non-cash consideration for acquisitions of new assets or investments (including the expenses associated with such acquisitions). In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

(e) Listing Rule 7.3A.5 – Allocation policy

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 allottees of Equity Securities will be determined on a case-by-case basis having regard to factors including, but not limited to, the following:

- the methods of raising funds available to the Company, including but not limited to rights issues or other issues in which existing security holders can participate;
- the effect of the issue of new Equity Securities on the control of the Company;
- the financial situation and solvency of the Company; and
- advice from corporate, financial and broking advisers (if applicable).

As at the date of this Notice the allottees are not known but may include existing substantial Shareholders and/or new Shareholders. No allottee under the 10% Placement Facility will be a Related Party or associate of a Related Party. Existing Shareholders may or may not be entitled to subscribe for any Equity Securities issued under the 10% Placement Facility, and it is possible

that their Shareholding will be diluted.

If the 10% Placement Facility is used to acquire new assets or investments, then there is a chance the allottees will be the vendors of the new assets.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities using the 10% Placement Facility.

(f) Listing Rule 7.3A.6 – Details of Equity Securities issued during past 12 months

During the 12 months prior to the date of the Annual General Meeting, and assuming no further issue of securities occurs between the date of this Notice of Meeting and the date of the Annual General Meeting, the Company issued a total of 162,404,769 Equity Securities during the 12 months preceding the date of this Meeting, representing approximately 13% of the total diluted number of Equity Securities on issue in the Company 12 months prior to the date of this Meeting, being at 26 November 2018.

Information relating to issues of Equity Securities by the Company in the 12 months prior to the date of this Meeting is set out in the table at Annexure A.

All Shares issued under the 10% Placement Facility during the past 12 months complied with the requirement of Listing Rule 7.1A.3 that the issue price of securities must be no less than 75% of the 15 Trading Day VWAP.

7.4 Voting Exclusion Statement

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.

7.5 Board recommendation

The Board believes the 10% Placement Facility is beneficial for the Company as it will give the Company the flexibility to issue further securities representing up to 10% of the Company's Share capital during the next 12 months. Accordingly, the Directors of the Company believe Resolution 5 is in the best interests of the Company and unanimously recommend Shareholders vote in favour of Resolution 5.

8. Resolution 6 – Conditional Spill Resolution

This Resolution is a 'conditional' Resolution. It will only be put to the Annual General Meeting if the Company receives a Second Strike.

This Resolution will be considered as an ordinary resolution which means that, to be passed, the Resolution requires the approval of a simple majority of the votes cast by or on behalf of the Shareholders entitled to vote on the matter.

If the Resolution is passed, then (subject to certain exceptions) the Company is required to hold a further general meeting (Spill Meeting) within 90 days after the Annual General Meeting to consider the composition of the Board.

If the Spill Meeting is held, the following Directors will automatically vacate office at the conclusion of the Spill Meeting unless they are willing to stand for re-election and are re-elected at that meeting:

- Mark Pivac
- Richard Grellman AM
- Nancy Milne OAM
- Andrew Bloore

The Explanatory Memorandum relevant to Resolution 1 contains further information relevant to Resolution 6. If a Spill Meeting is required, the date of the meeting will be notified to Shareholders in due course.

Board Recommendation

The Board unanimously recommends Shareholders vote **AGAINST** this Resolution if it is put to the Meeting. The Chair intends to vote all undirected proxies **AGAINST** Resolution 6.

9. Definitions

In this Notice, Explanatory Memorandum and Proxy Form:

$ means Australian Dollars.

10% Placement Facility has the meaning given in Section 7.1.

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

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

Annual Report means the Directors' Report, the Financial Report and Auditor's Report in respect to the financial year ended 30 June 2018.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Auditor's Report means the auditor's report on the Financial Report.

Board means the board of Directors.

Chair means the person appointed to chair the Meeting.

Closely Related Party means, as defined in the Corporations Act, a closely related party of a member of the Key Management Personnel, being:

1. a spouse or child of the member; or
2. a child of the member's spouse; or
3. a dependant of the member or of the member's spouse; or
4. anyone else who is one of the member's family and may be excepted to influence the member, or be influenced by the member, in the member's dealings with the entity; or
5. a company the member controls; or
6. a person prescribed by the *Corporations Regulations 2001* (Cth).

Company or **FBR** means FBR Limited ACN 090 000 276.

Constitution means the current constitution of the Company.

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

Director means a director of the Company.

Directors' Report means the annual directors report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Equity Securities has the same meaning as in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act

for the Company and its controlled entities.

Key Management Personnel means the 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) of the Company.

Listing Rules means the listing rules of ASX.

Managing Director means the managing Director of the Company.

Notice or **Notice of Meeting** means this Notice of Annual General Meeting.

Option means an option to acquire a Share.

Placement and **Placement Shares** each have the meaning set out in Section 6.1.

Proxy Form means the proxy form attached to the Notice.

Related Party is defined in section 228 of the Corporations Act.

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

Resolution means a resolution contained in this Notice.

Section means a section contained in this Explanatory Memorandum.

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

Shareholder means a shareholder of the Company.

Spill Meeting means the meeting that will be convened within 90 days of this Meeting if a threshold of votes is cast against Resolution 1 of this Notice of Meeting.

Spill Resolution means Resolution 6 of this Notice of Meeting, being the resolution required to be put to Shareholders at this Annual General Meeting if a threshold of votes is cast against Resolution 1 of this Notice of Meeting.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

VWAP means volume weighted average price.

ANNEXURE A

Equity Securities issued by the Company during the 12 months preceding the Annual General Meeting

Date	Class of Equity Securities issued	Number of equity securities issued	Summary of Terms	Names of Persons to Whom Equity Securities Issued	Issue Price and discount to market price on date of issue (if any)	Consideration and how consideration was spent or is to be spent
1 March 2019	**Fully paid Ordinary shares**	161,904,769	**Placement**	**Professional & sophisticated shareholders**	$0.105 0% discount	**$17,000,000** As at the date of this Notice the $17 million capital raising has been utilised to partially fund Hadrian X development costs and ongoing corporate overheads. As at the date of this Notice, as at the date of this Notice, the full $17 million raised has been spent.
20 May 2019	**Unlisted performance rights**	30,551,204	**Pursuant to Company Incentive Plan**	**Eligible Employees**	Nil Value	**Nil Value**
24 September 2019	**Fully paid Ordinary shares**	500,000	**Conversion of retention performance shares**	**Mark Sheridan**	Nil value	**Nil Value**

ABN 58 090 000 276

Need assistance?

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

Online:
www.investorcentre.com/contact

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

YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:00am (AWST) Sunday, 24 November 2019**

Proxy Form

How to Vote on Items of Business

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

APPOINTMENT OF PROXY

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

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

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

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

ATTENDING THE MEETING

If you are attending in person, please bring this form with you to assist registration.

Corporate Representative
If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Appointment of Corporate Representative" prior to admission. A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form: XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is

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

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

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

By Fax:

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

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

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

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

I 9999999999 I N D

Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of FBR Limited hereby appoint

☐ **the Chairman of the Meeting** **OR** _____

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of FBR Limited to be held in the Main Hall at the University of Western Australia Nedlands Park Masonic Hall Building, 8 Broadway, Crawley, Western Australia on Tuesday, 26 November 2019 at 11:00am (AWST) and at any adjournment or postponement of that meeting.

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

The Chairman of the Meeting intends to vote undirected proxies in favour of each Item of business with the exception of Resolution 6 where the Chairman of the Meeting intends to vote against.

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

Step 2 Items of Business

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

		For	Against	Abstain
1	Adoption of Remuneration Report	☐	☐	☐
2	Election of Director – Mr Grant Anderson	☐	☐	☐
3	Re-Election of Director – Mr Mark Pivac	☐	☐	☐
4	Ratification of Issue of Placement Shares under Listing Rule 7.1	☐	☐	☐
5	Approval of 10% Placement Facility	☐	☐	☐
6	Conditional Spill Resolution	☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business with the exception of Resolution 6 where the Chairman of the Meeting intends to vote against. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s)

This section must be completed.

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

Update your communication details *(Optional)*

Mobile Number _____

Email Address _____

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

Computershare