



## **NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM TO SHAREHOLDERS**

**Date of Meeting**

Thursday 16 November 2017

**Time of Meeting**

2 pm (AEDT)

**Place of Meeting**

Level 6, 28 O'Connell Street,  
Sydney NSW 2000.

**A Proxy Form is enclosed**

Please read this Notice and Explanatory Memorandum carefully.

If you are unable to attend the Annual General Meeting please complete and return the enclosed Proxy Form in accordance with the specified directions.

**FRONTIER DIAMONDS LIMITED**  
**ABN 39 616 232 556**

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of Shareholders of Frontier Diamonds Limited ABN 39 616 232 556 (**'Company'**) will be held at the offices of Genex Power Limited, 28 O'Connell Street, Sydney NSW 2000 on Thursday 16 November 2017 at 2.00pm (AEDT).

The Explanatory Memorandum which accompanies this Notice of Meeting forms part of the Notice.

**AGENDA**

**2017 Accounts**

To receive and consider the financial report of the Company for the year ended 30 June 2017, and the reports by the Directors and Independent Auditors.

**Resolution 1 – Election of Johan van Reenen**

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

*“That Mr Johan van Reenen, who was appointed as a Director by the board and who retires under clause 14.4 of the Company’s Constitution, and being eligible, offers himself for election, be elected as a Director.”*

**Resolution 2 – Election of Jan Louw**

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

*“That Mr Jan Louw, who was appointed as a Director by the board and who retires under clause 14.4 of the Company’s Constitution, and being eligible, offers himself for election, be elected as a Director.”*

**Resolution 3 – Election of Michael Addison**

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

*“That Mr Michael Addison who was appointed as a Director by the board and who retires under clause 14.4 of the Company’s Constitution, and being eligible, offers himself for election, be elected as a Director.”*

**Resolution 4 – Appointment of Auditor**

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

*“That for the purposes of section 327B of the Corporations Act 2001 (Cth) and for all other purposes, to appoint BDO Audit (WA) Pty Ltd as auditor of the Company.”*

A copy of the notice of nomination of BDO Audit (WA) Pty Ltd is provided to shareholders with this Notice (Annexure A). BDO Audit (WA) Pty Ltd has consented to act as auditor.

To deal with any other business that may be brought forward in accordance with the Constitution and the Corporations Act.

By order of the Board,

A handwritten signature in black ink, appearing to read "Chris Ritchie", with a long horizontal flourish extending to the right.

**Chris Ritchie**  
Company Secretary  
17 October 2017

## **INFORMATION FOR SHAREHOLDERS**

### **Attendance at the Meeting**

If you are planning to attend the meeting, please bring the proxy form with you to facilitate registration.

### **Voting**

A member of the Company can vote by attending the Meeting and voting in person, by proxy or by authorised representative.

### **VOTING ENTITLEMENTS**

In accordance with regulation 7.11.37 of the Corporations Regulations 2001, all shares in the Company will be taken, for the purposes of this Annual General Meeting, to be held by the persons who are the registered holders at 8.00pm (AEDT) on Tuesday 14 November 2017. Accordingly, share transfers registered after this time will be disregarded in determining entitlements to attend and vote at the Meeting.

### **VOTING BY PROXY**

- Completion of a proxy form will not prevent individual shareholders from attending the Annual General Meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the Annual General Meeting.
- A member entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies.
- Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights. Where 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.
- A proxy need not be a member of the Company.
- A proxy appointed to attend and vote instead of a member has the same right as the member to speak and vote at the meeting on a show of hands and on a poll.
- Where a proxy is appointed by a member's attorney, the power of attorney together with the evidence of non-revocation must be lodged with the proxy form.
- A proxy form appointing for a corporation must be executed in accordance with Section 127 of the Corporations Act 2001.
- If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit.
- Should any resolution, other than those specified in this Notice, be proposed at the meeting, a proxy may vote on that resolution as they think fit.
- If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the shareholder's behalf on the poll and the shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
- Shareholders who return their proxy forms with a direction how to vote but do not nominate the identity of their proxy will be taken to have appointed the Chairman of the meeting as their proxy to vote on their behalf. If a proxy form is returned but the nominated proxy does not attend the meeting, the Chairman of the meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chairman of the meeting, the secretary or any Director that do not contain a direction how to vote will be used where possible to support each of the resolutions proposed in this Notice, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply to some of the proposed resolutions. These rules are explained in this Notice.

- To be effective, proxy forms (and the power of attorney (if any) under which they are signed or proof thereof to the satisfaction of the directors) must be lodged with Frontier Diamonds Limited, by either mail to PO Box 12883, A'Beckett Street PO, Melbourne, Victoria, 8006, by email at [investorrelations@frontierdiamonds.com](mailto:investorrelations@frontierdiamonds.com) or by facsimile on +61 3 9349 1186, by 2pm (AEDT) on 14 November 2017 (not less than 48 hours before the scheduled time of the Meeting).
- A form of proxy is enclosed with the Notice of Annual General Meeting. An additional form will be supplied by the Company on request.

**FRONTIER DIAMONDS LIMITED**  
**ABN 39 616 232 556**

**EXPLANATORY MEMORANDUM**

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Annual General Meeting of Frontier Diamonds Limited ("**Frontier**" or the "**Company**").

Certain abbreviations and other defined terms are used throughout this Explanatory Memorandum. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations are set out in the Glossary to the Explanatory Memorandum.

The Directors recommend that Shareholders read this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

**2017 ACCOUNTS**

The first item of the Notice deals with the presentation of the consolidated annual financial statements of the Company for the financial year ended 30 June 2017 together with the Directors' declaration and report in relation to that financial year and the auditor's report on those financial statements. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

No resolution is required to be moved in respect of this item. Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the accounts and on the business, operations and management of the Company.

The Chairman will also provide Shareholders a reasonable opportunity to ask the auditor questions relevant to:

- a) the conduct of the audit;
- b) the preparation and content of the independent audit report;
- c) the accounting policies adopted by the Company in relation to the preparation of accounts;  
and
- d) the independence of the auditor in relation to the conduct of the audit.

**RESOLUTION 1 – ELECTION OF JOHAN VAN REENEN**

**1.1 General**

Mr van Reenen joined the Board as a Director on 6 September 2017.

Clause 14.4 of the Company's Constitution provides that the Directors may appoint a person to be a director, either as an addition to the existing directors or to fill a casual vacancy. In addition, Clause 14.4 of the Company's Constitution provides that, a Director so appointed holds office only until the next annual general meeting and is then eligible for re-election.

In accordance with clause 14.4 of the Company's Constitution, Mr van Reenen must retire at this meeting and, being eligible, offers himself for election.

## **1.2 Biography**

Mr van Reenen, is a co-founder and Executive Director of Imalivest Asset Management, a project finance and asset management company. He has served as a Non-executive director on the Board of Metropolitan Holdings since 2001 and following the merger with Momentum Holdings, he was appointed to the Board of MMI Holdings Limited (JSE: MMI) in 2010.

He is a member of the risk, remuneration and investment sub-committees of the MMI Board. He has a wealth of experience in investment banking, corporate finance and asset management, both in South Africa and internationally.

He is a past Chairman of the University of the Free State Foundation and Trustee of the World Wild Life Foundation. Mr van Reenen has spent the latter part of his corporate career as Executive Director of Gensec Limited and Managing Director of Gensec Asset Management. Prior to becoming a wholly owned subsidiary of Sanlam Ltd in 2000, Gensec was one of the top 40 companies listed on the Johannesburg Stock Exchange. Gensec has approximately AU\$18 billion of assets under management. Mr van Reenen holds a B.Sc (Hons) (Geochemistry) degree from the University of the Free State and a MBA from the University of Stellenbosch.

Mr van Reenen holds no shares either directly or indirectly in Frontier, however does hold 400,000 convertible notes that will convert into fully paid ordinary shares on the same date as the shares are issued pursuant to Frontier's IPO.

## **1.3 Directors Recommendation**

The Board (other than Mr van Reenen) unanimously recommends that Shareholders vote in favour of the election of Mr van Reenen as a Director.

## **RESOLUTION 2 – ELECTION OF JAN LOUW**

### **2.1 General**

Mr Louw joined the Board as a Director on 29 June 2017.

Clause 14.4 of the Company's Constitution provides that the Directors may appoint a person to be a director, either as an addition to the existing directors or to fill a casual vacancy. In addition, Clause 14.4 of the Company's Constitution provides that, a Director so appointed holds office only until the next annual general meeting and is then eligible for re-election.

In accordance with clause 14.4 of the Company's Constitution, Mr Louw must retire at this meeting and, being eligible, offers himself for election.

### **2.2 Biography**

Mr Louw previously served as the Chief Executive Officer of Frontier Mining Group. Prior to that was the director of Operations at Firestone Diamonds Plc. (AIM: FDI) with responsibility of managing all aspects of mining operations in South Africa and Botswana. Mr Louw has extensive experience in planning, developing and managing large scale open cast and underground mining operations, having working in senior management positions for Anglo American for 16 years in South Africa and Namibia. Mr Louw served as Mine Manager at Anglo American's Namakwa Sands mining operation in South Africa. Mr Louw is a graduate in Mechanical Engineering from Stellenbosch University, South Africa.

Mr Louw does not currently have a shareholding in Frontier but will, subject to Frontier listing on ASX, have a relevant interest in 73,118,670 Shares issued to Lutzville Engineering (Pty) Ltd, an entity controlled by Mr Louw, in relation to the acquisition of Sedi Star Diamonds Pty Ltd and the listing of Frontier on the ASX as well as a relevant interest in 23,502,629 Shares issued to Frontier Mining Projects (Pty) Ltd, an entity in which Mr Louw has a 51% shareholding, on conversion of debt owing by Sedi Diamonds (Pty) Limited subject to Frontier completing the acquisition of Sedi Star Diamonds Pty Ltd.

### **2.3 Directors Recommendation**

The Board (other than Mr Louw) unanimously recommends that Shareholders vote in favour of the re-election of Mr Louw as a Director.

## **RESOLUTION 3 – ELECTION OF MICHAEL ADDISON**

### **3.1 General**

Mr Addison joined the Board as a Director on 6 September 2017.

Clause 14.4 of the Company's Constitution provides that the Directors may appoint a person to be a director, either as an addition to the existing directors or to fill a casual vacancy. In addition, Clause 14.4 of the Company's Constitution provides that, a Director so appointed holds office only until the next annual general meeting and is then eligible for re-election.

In accordance with clause 14.4 of the Company's Constitution, Mr Addison must retire at this meeting and, being eligible, offers himself for election.

### **3.2 Biography**

Mr Addison is an engineer with significant experience in large infrastructure systems design. He also has considerable international corporate finance experience, having spent many years as an investment banker with three globally recognised investment banks. Subsequent to transitioning into mainstream corporate management in the early nineties, Mr Addison held a number of senior executive positions on the Boards of publicly listed companies on each of the London, Johannesburg and Australian securities exchanges.

In these roles, Mr Addison developed extensive expertise in the management and running of listed companies and an intimate working knowledge of the regulatory, legal and governance environments in which listed companies operate.

Mr Addison is a former Rhodes Scholar, has an Oxford University postgraduate degree in Management Studies, is a Fellow of the Australian Institute of Management and a member of the Australian Institute of Company Directors.

Mr Addison is currently the managing director of Genex Power Limited (ASX: GNX) and has previously been a director of Intra Energy Corporation Limited (ASX: IEC), Carabella Resources Limited and Stratum Metals Limited.

Mr Addison holds no shares either directly or indirectly in Frontier.



### **3.3 Directors Recommendation**

The Board (other than Mr Addison) unanimously recommends that Shareholders vote in favour of the election of Mr Addison as a Director.

## **RESOLUTION 4 – APPOINTMENT OF AUDITOR**

### **4.1 General**

The Directors of Frontier appointed BDO Audit (WA) Pty Ltd as the auditor of the Company. The appointment continues until the first annual general meeting.

Pursuant to the Corporations Act Frontier must appoint an auditor Frontier at the Company's first Annual General Meeting. In accordance with section 328B(1) of the Corporations Act, the Company has received a written notice of nomination from a shareholder of the Company for BDO Audit (WA) Pty Ltd to be appointed as the Company's auditor. A copy of the nomination is enclosed with this Notice.

BDO Audit (WA) Pty Ltd has given its written consent to act as the Company's auditor subject to shareholder approval of Resolution 4.

### **4.2 Directors Recommendation**

The Board unanimously recommends that Shareholders vote in favour of Resolution 4.

## **GLOSSARY**

"**AEDT**" means Australian Eastern Daylight Savings Time;

"**Annual General Meeting**" or "**Meeting**" means the annual general meeting the subject of the Notice;

"**Board**" means the Board of Directors;

"**Company**" or "**Frontier**" means Frontier Diamonds Limited ABN 39 616 232 556;

"**Constitution**" means the constitution of the Company;

"**Corporations Act**" means the Corporations Act 2001 (Cth);

"**Director**" means a Director of the Company;

"**Explanatory Memorandum**" means this information attached to the Notice, which provides information to Shareholders about the Resolutions contained in the Notice;

"**Notice**" or "**Notice of Meeting**" means the notice of annual general meeting accompanying this Explanatory Memorandum;

"**Resolution**" means a resolution the subject of the Notice;

"**Shareholder**" means the holder of a Share; and

"**Share**" means an ordinary fully paid share in the capital of the Company.

**PROXY FORM  
FRONTIER DIAMONDS LIMITED  
ACN 616 232 556**

Name Address 1  
Name Address 2  
Name Address 3  
Name Address 4

**Appointment of Proxy**

If appointing a proxy to attend the Annual General Meeting on your behalf, please complete the form and submit it in accordance with the directions on the reverse of the page.

I/We \_\_\_\_\_ of \_\_\_\_\_ being a shareholder/shareholders of Frontier Diamonds Limited pursuant to my/our right to appoint not more than two proxies, appoint:



The Chairman of the Meeting **OR** (mark with an "X")

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

or failing him/her, or, if no proxy is specified above, the Chairman of the meeting, or the Chairman's nominee, as my/our proxy 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 for me/us and on my/our behalf at the Annual General Meeting to be held at Level 6, 28 O'Connell Street, Sydney NSW 2000 on Thursday 16 November 2017 at 2.00pm (AEDT) and at any adjournment of that meeting.

If two proxies are being appointed, this proxy is to be used in respect of \_\_\_\_\_% of the ordinary shares I/we hold.

The Chair of the Meeting intends to vote all undirected proxies in favour of all resolutions.

RESOLUTION	For	Against	Abstain *
1. Election of Johan van Reenen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Election of Jan Louw	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Election of Michael Addison	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

**PLEASE SIGN HERE**

This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Executed in accordance with section 127 of the Corporations Act:

**Individual or Shareholder 1**

Sole Director & Sole Company Secretary

**Joint Shareholder 2**

Director

**Joint Shareholder 3**

Director/Company Secretary

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2011

Contact Name

Contact Business Telephone / Mobile

Proxies may be lodged either by facsimile on +61 3 9349 1186, by email to [investorrelations@frontierdiamonds.com](mailto:investorrelations@frontierdiamonds.com) or by mail to Frontier Diamonds Limited, PO Box 12883, A'Beckett Street PO, Melbourne, Victoria, 8006. To be valid, a proxy form must be received by the Company no later than 2pm (AEDT) on 14 November 2017 (48 hours before the time appointed for the Annual General Meeting). For assistance in completing this form, please refer to the rear of this form.

## **INSTRUCTIONS FOR COMPLETION OF THE PROXY FORM**

### **Shareholders Name**

This is the name of the shareholder as it appears on the Company's share register. For the purposes of this Annual General Meeting, shares will be taken to be held by those persons who are the registered holders thereof at 8.00pm (AEDT) on Tuesday 14 November 2017.

### **Appointment of Proxy**

A shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two other persons (whether shareholders or not) as proxy or proxies to attend in the shareholder's place at the Annual General Meeting. The proxy has the same right as the shareholder to speak and vote at the Annual General Meeting. If you leave this section blank, the Chairman of the meeting will be your proxy to vote your shares even if you attend the Annual General Meeting (unless you revoke your proxy before the meeting).

### **Vote on Resolutions**

You may direct your proxy how to vote by placing a mark in one of the boxes opposite the resolution/s you wish to direct your proxy to vote on. If you do so, all your shares will be voted in accordance with your direction. You can split your vote on any resolution/s by inserting the percentage or number/s of shares you wish to vote in the appropriate box/es. Please ensure you clearly mark the box in black or blue ink by placing a mark or the number of shares you are voting. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.

### **Appointing a Second Proxy**

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If a shareholder appoints two proxies, each proxy may be appointed to represent a specific proportion of the shareholder's voting rights. If such appointment is not made then each proxy may exercise half of the shareholder's voting rights. Fractions shall be disregarded. Where both proxies attend the meeting, voting may only be exercised on a poll.

### **Contact e-mail address/telephone number**

These will help us if there are any problems with your proxy form.

### **Signature(s)**

Each shareholder must sign this form as follows in the spaces provided:

Individual	Where the holding is in one name, the holder must sign.
Joint Holding	If your shares are held in joint names, all shareholders must sign in the boxes
Power of Attorney	If you are signing as an Attorney, then the Power of Attorney must have been noted by the Company or be duly stamped and accompany this form.
Companies	Only duly authorised officers can sign on behalf of a company. Please sign in the boxes provided which state the office held by the signatory. 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 sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

### **Delivery of Proxy**

To be effective, forms to appoint proxies must be received by the Company no later than 48 hours before the time appointed for the holding of this Annual General Meeting, that is by **2.00 pm (AEDT) on 14 November 2017**, by post, facsimile, email or in person to the respective addresses stipulated on the proxy form.