

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a meeting of members of County Coal Limited (the "Company") will be held at Level 4 Plaza Building Australia Square, 95 Pitt Street, Sydney, NSW 2000 on Thursday 26<sup>th</sup> November 2015 at 11.00am AEDT for the purpose of transacting the business set out in this Notice.

### BUSINESS

#### Item 1 – Financial Statements

To consider and receive the Financial Report, the Directors' Report and the Auditor's Report for the year ended 30<sup>th</sup> June 2015.

#### Item 2 – Remuneration Report

To adopt the Remuneration Report for the year ended 30<sup>th</sup> June 2015.

#### Item 3 – Election of Director- (Mr David Miller)

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

"That David Millers being a Director who retires by rotation, in accordance with the Company's Constitution, and being eligible, be re-elected as a Director of the Company."

#### Item 4 – Change of Company name

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

"That the name of the Company be changed from County Coal Limited to County International Limited."

#### Item 5 – Issue of Options

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

"That, for the purpose of Listing Rule 10.11 of the Listing Rules of the ASX Limited and for all other purposes, the members of the Company approve and authorise the grant of 5,000,000 options over unissued ordinary shares with an exercise price of \$0.04 per option, by the Company to Rod Ruston and such other related parties he so nominates the terms and conditions described in the Explanatory Note."

**Summary of the Resolution:** Under Listing Rule 10.11 of the Listing Rules of the ASX Limited, shareholders must approve any issue of equity securities to a "related party", unless an exception applies. This resolution needs the approval for the grant of options over unissued ordinary shares in the Company to a share option trust, an entity associated with Mr Rod Ruston, a "related party" of the Company.

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by:

- Mr Rod Ruston; and
- any associate of Mr Rod Ruston.

However, the entity need not disregard a vote if:

- 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
- 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.

#### Appointment of Proxy

- (a) A member who is unable to attend and vote at the meeting may appoint a proxy by completing and returning the attached proxy form in the manner provided below. The proxy need not be a member of the Company.
- (b) If a member wishes to appoint a proxy, and is entitled to cast 2 or more votes, then the member may appoint 2 proxies, and may specify the proportion or number of votes each proxy may cast.
- (c) A proxy form (and the power of attorney (if any) under which it is signed) must be received at the registered office of the Company not less than 48 hours before the time of the holding of the meeting:
  - By hand: Boardroom Pty Limited - Level 12 Grosvenor Place, 225 George Street, Sydney NSW 2000
  - By mail: Boardroom Pty Limited - GPO Box 3993, Sydney NSW, 2001
  - By facsimile: (02) 9290 9655

#### Corporate Representatives

Corporate members must either:

- appoint a proxy as set out above; or
- appoint a body corporate representative in accordance with the Corporations Act.

The appointment of a body corporate representative must be produced at the meeting.

#### Entitlement to Vote

For the purpose of the meeting, those members holding shares at 7pm AEDT on 24<sup>th</sup> November 2015 will be voting members at the meeting.

#### Further Information

This Notice should be read in conjunction with the Explanatory Note.

By the Order of the Board of Directors.



T. A. Flitcroft  
Company Secretary  
Dated: 26<sup>th</sup> October 2015

# EXPLANATORY NOTES ON ITEMS OF BUSINESS

## Item 1: Financial Statements

As required by section 317 of the Corporations Act 2001 (Cth) (the "Act"), the Financial Report, the Directors' Report and the Auditor's Report of the Company for the most recent financial year will be laid before the meeting. Shareholders will be provided with a reasonable opportunity to ask questions about or make comments on the management of the Company however, there will be no formal resolution put to the meeting.

Shareholders will also be provided with the opportunity to ask the representative of the Company's auditor questions about the conduct of the audit, the preparation and content of the Auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements, and the independence of the auditor in relation to the conduct of the audit.

## Item 2: Remuneration Report

The Directors' Report for the year ended 30 June 2015 contains a Remuneration Report, which sets out the remuneration policy for the Company and reports on the remuneration arrangements in place for Directors and certain senior executives.

The Act requires that the agenda for this Annual General Meeting include a resolution for the adoption of the Remuneration Report. The vote on the resolution is advisory only and is not binding on the Directors or the Company.

Shareholders will be provided with a reasonable opportunity to ask questions about and make comments on the Remuneration Report.

## Item 3: Election of Director

Pursuant to the Company's Constitution, Mr David Miller will retire as a Director at the Annual General Meeting and offers himself for re-election.

David Miller is a geologist and businessman. He was a Director and CEO of Strathmore Minerals Corp (a TSX listed mining group) until August 2013. David's primary professional focus has been on minerals exploration, development, and mining. His career has spanned over 30 years, with a chain of companies that started with Utah International and evolved into AREVA, the French Nuclear Power Conglomerate. David is an eight term member of the Wyoming Legislature, serving District 55 – Riverton. He is currently Chairman of Judiciary Committee, served on Minerals, Revenue, Education, Corporations, and Health & Labor Committees and was an original appointee to the Wyoming Energy Commission. David is a registered professional geologist in Wyoming, a registered member of the Society of Mining Engineers, and a Fellow in the Society of Economic Geologists. David is the architect responsible for assembling the Miller Coal property, now owned by County Coal.

If re-elected, David Miller will continue as a Director and be subject to retirement by rotation in accordance with the Company's Constitution.

The Board, with exception of Mr Miller, unanimously recommends that Shareholders vote in favour of the re-election of Mr Miller.

## Item 4: Change of Company name

The Board has recommended that County Coal Limited change its name to County International Limited.

## Item 5: Issue of Options to Rodney Ruston

ASX Listing Rule 10.11 provides that a company may not issue "equity securities" to a related party without shareholder approval. An "equity security" includes an option over unissued ordinary shares.

Mr Rod Ruston is a director of County Coal Limited and, as such, is a related party of County Coal Limited ("County Coal").

County Coal has agreed to issue 5,000,000 options over unissued ordinary shares in County Coal Limited to Rod Ruston and such other related parties he so nominates (Options). The issue provides a long-term incentive Rod Ruston as the Chief Executive Officer of the company. At the date of this Notice of Meeting, County Coal has 188,350,008 ordinary shares and 6,100,000 options on issue. As at the date of this notice Mr Ruston is receiving no remuneration from the Company. As at the date of this notice Mr Ruston holds no shares and 3,000,000 options in the Company.

Any funds raised from the exercise of Options will be used for general working capital purposes.

Each of the directors of the Company, with the exception of Mr Ruston, recommends that shareholders approve the issue of these Options.

As at the date of this notice the Options if exercised would represent 2.65% of the Company's ordinary shares on issue.

**Item 5: Issue of Options to Rodney Ruston (continued)**

**Terms of Issue**

The Options will be issued on the following terms:

- The exercise price per Option will be a fixed price of 4 cents. Each Option exercised entitles the option holder to be issued with one new ordinary share.
- The Options will expire on 31 January 2020.
- If at any time prior to the exercise of any of the Options, there is a reconstruction (including a consolidation, subdivision, reduction or return) of the issued capital of County Coal, the outstanding Options will be reorganised in the manner required by the Listing Rules of the ASX Limited on a reconstruction of capital at the time of the reconstruction.
- If County Coal makes a bonus issue of securities, each outstanding Option confers on each option holder the right to receive on exercise of those outstanding Options an allotment of additional securities, which the option holder would have received if it had participated in that bonus issue.
- The Options are not to be quoted on the ASX.
- The Options will vest progressively, with 2,500,000 options vesting on 26 November 2016 and a further 2,500,000 options vesting on 26 November 2017.
- The Options cannot be exercised before 31 December 2016 unless:
  - A takeover bid is announced for all or part of the shares in County Coal; or
  - the board of County Coal announces, and the majority of directors recommend, a proposed scheme of arrangement pursuant to which immediately following the implementation of the scheme of arrangement a third party will acquire and/or be the holder of all of the ordinary shares in County Coal; or
  - any other proposal is announced which involves a third party acquiring all or a majority interest in County Coal's ordinary shares.
- The option holder cannot participate in new issues without exercising the Options.
- The Options will be issued for no consideration, no later than 1 month after the date of the meeting
- In the event the Mr Ruston's employment is terminated by the Company for any reason after 26 November 2016, other than for breaching any material provision of his employment agreement or being found guilty by a court of a material criminal offence, including but not limited to, any breach of the Corporations Law; any law governing the conduct of business; or any offence involving dishonesty, including without limitation fraud or misappropriation of property, a pro-rata proportion of the options yet to vest after the termination date will be allowed to vest and become the property of Mr Ruston or his nominee based on the number of days the Mr Ruston is employed since the date of issue of the options. For the avoidance of doubt, if the Mr Ruston's employment is terminated by the Company one and a half a years after the date of issue of the options for reasons other than those mentioned above, an additional 1.25 million of the options due to vest on 26 November 2017 will vest.

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