



INNOVATIVE SCIENCE • REAL VALUE

Suite 105  
48 Atchison Street  
St Leonards NSW 2065 Australia  
ABN 25 001 150 849

Phone: 61 0428 002 590  
Email: [admin@scidev.com.au](mailto:admin@scidev.com.au)  
Website: [www.scidev.com.au](http://www.scidev.com.au)  
ASX code: SDV

---

## NOTICE OF THE 2017 ANNUAL GENERAL MEETING

---

Notice is hereby given that the 2017 Annual General Meeting (AGM) of the shareholders of SciDev Ltd (SciDev or the Company) will be held as follows:

Time: 4:00pm (Sydney time)

Date: Thursday, 30 November 2017

Place: The Boardroom  
Northside Conference Centre  
Corner of Oxley Street and Pole Lane  
Crows Nest NSW

This Notice of AGM should be read in conjunction with the attached Explanatory Notes and is accompanied by a Proxy Form for those shareholders wishing to vote by proxy. Please follow the instructions on the Proxy Form carefully.

### ORDINARY BUSINESS

#### Financial Report

To receive and consider the Company's Financial Report, including the Reports of the Directors and the Auditors of the Company and its controlled entities, for the year ended 30 June 2017.

Note: There is no requirement for Shareholders to approve this Report.

#### Resolution 1: To Adopt the Remuneration Report

To consider and, if thought fit, to pass the following ordinary Resolution:

That the Company's Remuneration Report for the financial year ended 30 June 2017 be received, approved and adopted.

#### ***Voting Exclusion Statement for Resolution 1***

In accordance with section 250R(4) of the Corporations Act, the Company will disregard votes cast on Resolution 1 by a member of the Company's Key Management Personnel (KMP) whose remuneration details are included in the Remuneration Report of the Company's Annual Report, or a closely-related party of such a member, unless the vote is cast as a proxy for a person entitled to vote in accordance with a direction on the Proxy Form.

#### Resolution 2: To Elect a Director – Mr Daniel (Don) J Cronin

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

That Mr Daniel (Don) J Cronin, Director appointed since 26 November 2013, retiring by rotation in accordance with clause 46 of the Company's Constitution and with the Corporations Act 2001, being eligible for re-election, be re-elected as a Director of the Company.

### **Resolution 3: Sale of Intec Zeehan Residues**

"That for the purposes of ASX Listing Rule 11.4 and for all other purposes the sale of Intec Zeehan Residues Pty Ltd by the Company's subsidiary Intec Envirometals Pty Ltd to Tartana Resources Limited be approved".

#### ***Voting Exclusion Statement for Resolution 3***

The Company will disregard votes cast on Resolution 3 by a party to the transaction and its associates, unless the vote is cast as a proxy for a person entitled to vote in accordance with a direction on the Proxy Form.

#### **Other Business**

To transact any other business that may be properly brought before the Meeting.

Further information in relation to these Resolutions is set out in the attached Explanatory Notes.

#### **Important Information Concerning Proxy Votes on Resolution 1**

The Corporations Act places certain restrictions on the ability of KMP and their closely-related parties to vote on resolutions connected directly or indirectly with the remuneration of the KMP. Their closely-related parties are defined in the Corporations Act, and include certain of their family members, dependants and companies they control. For these reasons, Shareholders who intend to vote by proxy should carefully consider the identity of their proxy and consider appointing someone other than one of the KMP, as such persons will not be able to vote undirected proxies. Shareholders are also encouraged to direct their proxy how to vote on all Resolutions. If you do not do so, you risk your vote not being cast.

Undirected proxies held by relevant KMP or their closely-related parties will not be voted on Resolution 1 with the exception that the Chairman of the Meeting is expressly authorised to vote undirected proxies on Resolution 1 as he sees fit.

#### **Eligibility to Vote**

For the purposes of Regulation 7.11.37 of the Corporations Act, the Directors have set 7:00pm (Sydney time) on 28 November 2017 as the time and date to determine holders of the Company's Shares for the purposes of the AGM. Share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the AGM.

On a show of hands every Shareholder has one vote, and on a poll, every Shareholder has one vote for each Share held.

#### **Voting Intentions of the Chairman**

The Chairman intends to vote all undirected proxies in favour of all Resolutions, unless otherwise indicated in the Notice of AGM or Explanatory Notes.

#### **Proxies**

To be effective, Proxy Forms must be received by the Company at its registered office at least 48 hours before the time for holding the Meeting.

A member entitled to attend and vote is entitled to appoint not more than two persons as his / her proxy to attend and vote instead of the member. A proxy need not be a member of the Company. If more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights. Unless under Power of Attorney (which should have been noted by the Company) a Proxy Form by a corporation should be executed under its common seal or in accordance with the Corporations Act.

**Dated:** 30 October 2017

By order of the Board



**Heath L Roberts**  
Company Secretary

## EXPLANATORY NOTES

These Explanatory Notes sets out information in connection with the business to be considered at the 2017 Annual General Meeting (AGM) of SciDev Ltd (SciDev or the Company).

### ORDINARY BUSINESS

The following items of ordinary business will be considered at the Meeting:

#### Financial Report

The first item of the Meeting deals with the consolidated Financial Report of the Company and its controlled entities for the year ended 30 June 2017, including the Directors' Declaration and Directors' Report in relation to that financial year, and the Auditors' Report on the financial statements (Financial Report).

Shareholders are asked to consider the Financial Report and raise any matters of interest with the Directors when this item is being considered. Shareholders will be provided with a reasonable opportunity at the Meeting to ask questions about, or make comments on, the Financial Report. No resolution is required to be moved in respect of this item of business.

#### Resolution 1: To Adopt the Remuneration Report

The Corporations Act requires that a resolution be put to the members to receive, approve and adopt the Remuneration Report, as it is disclosed in the Directors' Report of the Annual Report. The vote on this resolution is advisory only and non-binding. The resolution gives the members the opportunity to ask questions or make comments concerning the Remuneration Report during the Meeting. Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, shareholders will be required to vote at the second of those AGMs on a resolution (a spill resolution) that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) must stand for re-election. Any undirected proxies held by Directors, with the exception of the Chairman of the Meeting, or other KMP, or any of their closely-related parties, will not be voted on Resolution 1. Their closely-related parties are defined in the Corporations Act, and include certain of their family members, dependants and companies they control. The Chairman of the Meeting has received express authority to vote undirected proxies on Resolution 1 as he sees fit.

#### *Directors' recommendation*

The Directors recommend that Shareholders vote in favour of Resolution 1. Voting exclusions apply.

#### Resolution 2: To Elect a Director – Mr Daniel (Don) J Cronin B.E. (Uni, College, Cork) M.Sc. (Southampton), MBA (LBS)

Mr Cronin was appointed as a Director of the Company on 26 November 2013. He began his career as an engineer with the British consulting firm Halcrow, working for six years in the UK and South America. This was followed by five years working in project management with the construction company Gammon in Hong Kong and Singapore. Following completion of an MBA degree, he was employed in the chemical industry for 23 years, initially with Sandoz and later with Degussa and then BASF. He has worked in senior general management roles in Zurich, Sydney and Singapore. His most recent position was as Senior Vice President – Construction Chemicals for BASF with responsibility for Europe, Middle East and Africa. Mr Cronin is the Chairman of the Audit Committee and a member of the Corporate Governance Committee and the Nomination and Remuneration Committee.

#### *Directors' recommendation*

The Directors (except Mr Cronin) recommend that Shareholders vote in favour of Resolution 2.

### **Resolution 3: Sale of Intec Zeehan Residues Pty Ltd**

As announced on 25 October 2017, a conditional agreement has been entered into for the divestment of the Zeehan Zinc Project. The Zeehan Zinc Project is held in the name of Intec Zeehan Residues Pty Ltd which is the subject of the sale agreement.

Intec Zeehan Residues Pty Ltd is held 100% by Intec Envirometals Pty Ltd, which is itself a wholly-owned subsidiary of the Company.

The purchaser of Intec Zeehan Residues Pty Ltd and as a consequence the Zeehan Zinc Project is Australian base metal and exploration company Tartana Resources Ltd (TRL).

#### **Background**

The Company will become a major shareholder in TRL as a result of the transaction, allowing it to benefit from the future development of the Zeehan Zinc Project while also gaining an exposure to the planned extensive works programme to be undertaken at the Tartana Base Metals Project.

TRL is an Australian unlisted public company with an option to purchase the Tartana Base Metal Project, located 40 kilometres north-west of Chillagoe, North Queensland. The project adjoins Auctus Minerals' King Vol Project, which is being developed with funding from leading global private equity firm Denham Capital. The Tartana Base Metal Project includes:

- Four granted mining leases and a plant suitable for treating oxide copper ores and/or copper residues for the production of copper sulphate.
- Established office, workshop, accommodation and dining facilities.
- A number of promising base metal exploration projects.

The Zeehan Zinc Project is held under a long-term mining lease granted by Mineral Resources Tasmania. The project is located approximately three kilometres south of Zeehan, on Tasmania's west coast.

The agreement to sell the Zeehan Zinc Project follows a thorough and detailed evaluation of a range of potential commercialisation options for the Zeehan Zinc Project by the Company's Board and Management during 2017. These included the direct sale of the residues, blending strategies and Australian-based beneficiation opportunities.

It was concluded that divesting the Zeehan Zinc Project into TRL represented the optimal corporate structure in terms of maximising shareholder value for that asset.

The Company notes that in the financial statements for the year ended 30 June 2017 the Zeehan Zinc Project had a carrying value of \$10,800 and in the last 4 to 5 years the asset has been moribund and as a result the Company has received no revenues from the project. Annual holding costs are minor; in the order of approximately \$10,000 per annum. The terms of the conditional sale of the Zeehan Zinc Project notionally value it at \$2,000,000.

The terms on which the Company has agreed to divest the Zeehan Zinc Project into TRL are as follows:

- Issue of 15 million TRL shares to the Company, at a deemed/notional issue price of \$0.10 per share.
- Upon completion of the sale and the \$1.5 million capital raising proposed by TRL, the Company will hold approximately 37.5% of TRL's shares, representing an approximately

37.5% control position (prior to any further capital raise/IPO or asset acquisition by TRL). TRL will also have a modest number of \$0.40 exercise price options on issue, held by Directors and key executives.

- TRL will pay the Company \$250,000 upon completion of the transaction, expected to occur around December 2017 / January 2018; and
- TRL will pay the Company an additional \$250,000 in the first calendar half of 2018.

The sale is subject to a number of conditions, including regulatory approvals and shareholder approval under ASX Listing Rule 11.4. The key commercial condition precedent, set for the benefit of the Company, is that TRL must first complete its acquisition of the Tartana Base Metal Project. This ensures the Company is only obliged to complete the sale of the Zeehan Zinc Project to TRL once TRL's ownership of the Tartana Base Metal Project is assured.

Following the disposal of the Zeehan Zinc Project the Company will continue to focus on its core business of the development, fabrication and supply of the Optiflox ® System.

#### **ASX Listing Rule 11.4**

Resolution 3 seeks shareholder approval pursuant to ASX Listing Rule 11.4 for the disposal of the Zeehan Zinc Project to TRL, which intends to conduct a capital raising and be listed on the ASX.

ASX Listing Rule 11.4 provides that an entity must not dispose of a major asset if, at the time of the disposal, it is aware that the person acquiring the asset intends to issue or offer securities with a view to becoming listed. The rule does not apply if:

- (a) the securities (other than those to be retained by the entity or child entity) are offered pro rata to holders of ordinary securities in the listed entity or in another way that, in ASX's opinion, is fair in all the circumstances; or
- (b) holders of ordinary securities in the listed entity approve of the disposal without the offer referred to in paragraph (a) above being made.

ASX Listing Rule 11.4 applies to the disposal of the Zeehan Zinc Project to TRL. As the offer of securities by TRC will not include a pro-rata offer to the Company's shareholders, the Company is seeking approval for the disposal of the Zeehan Zinc Project to TRL.

Resolution 3 is an ordinary resolution.