



## Notice of General Meeting of Shareholders

To be held at the Subiaco Arts Centre,  
180 Hamersley Road, Subiaco, WA 6008  
At 10:30am (Perth time) on 4 April 2013

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**Please read this Notice and Explanatory Memorandum carefully.**

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

A Proxy Form is enclosed.

## **NOTICE OF GENERAL MEETING OF SHAREHOLDERS**

Notice is hereby given that the General Meeting of Shareholders of Pan Asia Corporation Limited ABN 45 098 448 269 ("Company") will be held at Subiaco Arts Centre, 180 Hamersley Road, Subiaco, Western Australia 6008 on 4 April 2013 at 10:30am (Perth time) for the purpose of transacting the following business referred to in this General Meeting.

## **AGENDA**

### **ITEMS OF BUSINESS**

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#### **1. Resolution 1 – Issue of Shares to Mitchel Jakeman, Non- Executive Director**

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

*"That for the purposes of Listing Rule 10.11, Section 208 of the Corporations Act, and for all other purposes, approval be given for the Directors to issue 1,800,000 Shares to Mitchel Jakeman at \$0.07 per Share on the terms and conditions set out in the Explanatory Memorandum."*

The Company will disregard any votes cast on Resolution 1 by Mitchel Jakeman and any associates of Mitchel Jakeman. However, the Company need not disregard a vote if:

- a) the vote 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
- b) 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.

#### **2. Resolution 2 – Ratification of issue of 6,257,143 Shares to Sophisticated Investors**

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

*"That, for the purpose of Listing Rule 7.4 and for all other purposes, the Company ratify the allotment and issue of 6,257,143 Shares (at an issue price of \$0.07 each) on 13 December 2012 to sophisticated investors, on the terms and conditions set out in the Explanatory Memorandum."*

The Company will disregard any votes cast on Resolution 2 by any person who participated in the issue the subject of Resolution 2 and any associate of those persons. However, the Company need not disregard a vote if:

- a) the vote 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
- b) 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.

## **How to vote**

Shareholders can vote by either:

- attending the meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the Proxy Form accompanying this Notice of Meeting and by submitting their proxy appointment and voting instructions in person, by post or by facsimile.

## **Voting in person (or by attorney)**

Shareholders, or their attorneys, who plan to attend the meeting are asked to arrive at the venue 15 minutes prior to the time designated for the meeting, if possible, so that their holding may be checked against the Company's share register and attendance recorded. Attorneys should bring with them an original or certified copy of the power of attorney under which they have been authorised to attend and vote at the meeting.

## **Voting by a Corporation**

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the meeting. Any such appointment must comply with the execution and appointment requirements set out in the Proxy Form and otherwise with the requirements of section 127 and 250D of the Corporations Act or the legal requirements of the country in which that corporate Shareholder was incorporated. The representative should bring to the meeting evidence of his or her appointment, including any authority under which it is signed. Shareholders can download and complete the 'Appointment of Corporate Representation' form from the website of the Company's share registry:

<http://www.linkmarketservices.com.au/corporate/InvestorServices/Forms.html>.

## **Voting by proxy**

- A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the meeting.
- The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (i.e. where there are two proxies, each proxy may exercise half of the votes).
- A proxy need not be a Shareholder.
- The proxy can be either an individual or a body corporate.
- 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 Chair 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 Chair of the meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chair 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, proxies must be lodged by 10:30am (Perth time) on 2 April 2013. Proxies lodged after this time will be invalid.
- Proxies may be lodged using any of the following methods:
  - by facsimile to the Company's Share Registry, Link Market Services Limited on facsimile number + 61 2 9287 0309; or
  - by post to the Company's Share Registry, Link Market Services Limited, in the reply paid envelope or to Locked Bag A14, Sydney South NSW 1235; or
  - by delivery to the Company's Share Registry, Link Market Services Limited, 1 A Homebush Bay Drive, Rhodes NSW 2138; or
  - online - [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au). Select 'Investor Login' and enter the holding details as shown on the proxy form. Select the 'Voting' tab and then follow the prompts. You will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website.

The Proxy Form must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the power of attorney, or the power itself, must be received by the Company at the above address, or by facsimile, and by 10:30am (Perth time) on 2 April 2013. If facsimile transmission is used, the power of attorney must be certified.

**Shareholders who are entitled to vote**

In accordance with Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001, the Board has determined that a person's entitlement to vote at the General Meeting will be the entitlement of that person set out in the Register of Shareholders as at 4.00pm (Perth time) on 2 April 2013. Accordingly, Share transfers registered after that time will be disregarded in determining a Shareholder's entitlement to attend and vote at the Meeting.

**By order of the Board**

A handwritten signature in black ink, appearing to read 'J Campbell', is written over a horizontal line.

**Jason Campbell**  
Company Secretary

Dated: 19 February 2013

# Pan Asia Corporation Limited

ABN 45 098 448 269

## 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 General Meeting of Pan Asia Corporation Limited ("**Pan Asia**" or the "**Company**").

Certain abbreviations and other defined terms are used throughout this Explanatory Memorandum. The definition of any capitalised terms set out in the Glossary to the Explanatory Memorandum.

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### RESOLUTION 1 – ISSUE OF SHARES TO MR MITCHEL JAKEMAN, NON EXECUTIVE DIRECTOR

#### 1.1 Background

The Company has agreed, subject to obtaining Shareholder approval to issue 1,800,000 Shares to Mr Mitchel Jakeman, Non-executive director, as part of the Placement of up to 8,057,143 Shares announced to ASX on 7 December 2012. The Placement was closed and 6,257,143 Shares were issued, as announced to ASX on 7 December 2012. The Shares issued under the Placement do not include shares subscribed by the Directors. Subject to Shareholder approval, Mr Mitchel Jakeman will pay \$0.07 per Share, the same as all subscribers to the Placement. The Placement was made under the Company's 15% capacity set by Listing Rule 7.1. The Placement was initiated to raise funds for studies on its project and working capital requirements by the Company as set out in the announcement dated 7 December 2012.

Mr Jakeman, a Non-Executive Director of the Company, wishes to participate in the Placement to show his support for the Placement and the Company.

Listing Rule 10.11 requires Shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, which includes a director of the issuer.

Section 208 of Chapter 2E of the Corporations Act provides that for a public company to give a financial benefit to a related party of the public company, the public company must:

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

Unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act. None of the exceptions are relevant in this case.

Accordingly, Shareholder approval is being sought under Listing Rule 10.11 and Chapter 2E of the Corporations Act for the issue of Shares to Mr Jakeman.

#### 1.2 Technical Information Required by Listing Rule 10.13

A notice of meeting to obtain approval under Listing Rule 10.11 must comply with Listing Rule 10.13. The information required by Listing Rule 10.13 is set out below:

**(a) The name of the person.**

Mr Mitchel Jakeman. The name of Mr Jakeman's entity that will be issued the Shares is Accumcompany Pty Ltd <Accumulation Super Fund>.

Mr Jakeman is a Director and controls Accumcompany Pty Ltd <Accumulation Super Fund>.

**(b) The maximum number of securities to be issued.**

The maximum number of securities to be issued to Mr Jakeman is 1,800,000.

**(c) The terms of the securities**

The Shares to be issued are fully paid ordinary Shares in the capital of the Company and will rank equally in all respects with the existing fully paid ordinary Shares on issue.

**(d) The date by which the entity will issue the securities.**

The Shares will be issued to Mr Jakeman within 1 month after the date of the General Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules).

**(e) The intended use of the funds raised.**

The Shares will be issued for \$0.07 per Share to raise a total of \$126,000. The funds will be utilised for studies on its project and working capital requirements by the Company as set out in the announcement dated 7 December 2012.

### **1.3 Chapter 2E of the Corporations Act**

Chapter 2E of the Corporations Act regulates the provision of financial benefits to related parties by a public company. Section 208 of the Corporations Act prohibits a public company giving a financial benefit to a related party unless one of a number of exceptions applies.

A “financial benefit” is defined in the Corporations Act in broad terms and includes a public company issuing securities.

For the purposes of this meeting, a “related party” includes a director of the Company. Accordingly, the proposed issue of Shares to Mr Jakeman involves the provision of a financial benefit to a related party of the Company.

It is the view of the Directors that the exceptions to section 208 which are listed in the Corporations Act may not apply in the current circumstances, despite the fact that Mr Jakeman is participating in the Placement on the same terms as other participants. Accordingly, the Directors have determined to seek Shareholder approval for the purposes of Chapter 2E of the Corporations Act for the issue of Shares to Mr Jakeman.

### **1.4 Technical Information Required by Sections 217 to 227 of the Corporations Act**

As required by sections 217 to 227 of the Corporations Act, the following information is provided in relation to the proposed issue of Shares to Mr Jakeman:

**(a) Identity of the related party**

Mr Mitchel Jakeman and Accumcompany Pty Ltd <Accumulation Super Fund>, a company controlled by Mr Jakeman.

**(b) The nature of the financial benefit**

The nature of the proposed financial benefit is the issue of 1,800,000 Shares at an issue price of \$0.07.

**(c) Directors’ recommendations**

Mr Jakeman declines to make a recommendation to Shareholders in relation to Resolution 1 due to his material personal interest in the outcome of the Resolution.

The other Directors, who do not have a material personal interest in the outcome of the Resolution 1, recommend that Shareholders vote in favour of Resolution 1. The Board (other than Mr Jakeman) is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass the Resolution.

The Board does not consider that there are any opportunity costs to the Company or benefits foregone in issuing the Shares on the terms proposed.

The Board considers that the issue of Shares on the terms proposed will help to align the interests of Mr Jakeman with those of the Shareholders, as the Board seeks to add value for Shareholders.

**(d) Director’s interest in the proposed resolution**

Other than Mr Jakeman, the remaining directors have no interest in the subject matter of this resolution. Mr Jakeman has a material personal interest in the outcome of Resolution 1.

**(e) Valuation of the financial benefit**

The value of the Shares to be issued to Mr Jakeman or Accumcompany Pty Ltd <Accumulation Super Fund> will depend on the price at which the Company’s securities are trading on the date of issue. The Shares are to be issued at \$0.07. The Shares represent a 2.85% discount based on the price at the 19 February 2013.

The trading history of the Shares on ASX in the 12 month period before the Notice of Meeting is set out below:

Parameter	Price	Date
Highest	0.215	30 April 2012
Lowest	0.055	23 November 2012
Last	0.072	19 February 2013

**(f) Disclosure of a relevant remuneration package**

In addition to the Shares referred to in this resolution, the remuneration and emoluments that the Company will pay to Mr Jakeman in the current financial year will be Director's fees in the amount of \$21,000.

Mr Jakeman has also entered into a consultancy agreement with the Company whereby Mr Jakeman is being paid \$10,000 per month for his consulting work which is at industry rates.

Mr Jakeman is also a director of another consultancy organisation which is currently being paid a \$5,000 per month retainer with a 3.5% success fee payable on any aggregate investment provided by a partner introduced by them.

**(g) Related party's existing interest**

As at the date of the Notice of General Meeting, Mr Jakeman and his associates hold the following securities:

Shares
4,700,000

The issue of 1,800,000 Shares to Mr Jakeman or Accumcompany Pty Ltd <Accumulation Super Fund> will increase his holding to 6,500,000 Shares representing 5.16% of the Company's issued Shares, assuming that 1,800,000 are issued to Mr Jakeman or his entity Accumcompany Pty Ltd <Accumulation Super Fund> under the Placement.

**(h) Dilution effect of the issue**

The issue to Mr Jakeman of 1,800,000 Shares will increase the number of Shares on issue from 124,086,286 to 125,886,286 (assuming no other shares are issued or options exercised) with the effect that the shareholding of existing Shareholders would be diluted by approximately 0.08%.

**(i) Other relevant information**

The Board (other than Mr Jakeman) is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass the Resolution.

## **RESOLUTION 2 – RATIFICATION OF ISSUE OF 6,257,143 SHARES TO SOPHISTICIATED INVESTORS**

On 13 December 2012, Pan Asia allotted and issued 6,257,143 Shares to Sophisticated Investors at a price of \$0.07 per share to raise \$438,000.

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior Shareholder approval, provided the issue did not breach the 15% threshold set by Listing Rule 7.1. The effect of such ratification is to restore a company's maximum discretionary power to issue further shares up to 15% of the issued capital of the Company without requiring Shareholder approval.

Pursuant to Resolution 2, the Directors are seeking ratification under Listing Rule 7.4 of the issue of 6,257,143 Shares on 13 December 2012 in order to restore the right of the Company to issue further securities within the 15% limit during the next 12 months.

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

**(a) The number of securities allotted**

6,257,143 Shares were allotted and issued.

(b) **The price at which the securities were issued**

The Shares were issued to Sophisticated Investors at an issue price of \$0.07 each to be used on TCM Project studies and working capital commitments.

(c) **The terms of the securities**

The Shares issued were fully paid ordinary Shares in the capital of the Company and rank equally in all respects with the existing fully paid ordinary Shares on issue.

(d) **The names of the allottees or the basis on which allottees were determined**

The Shares were issued to sophisticated investors.

(e) **The use (or intended use) of the funds raised**

The funds will be utilised for studies on its project and working capital requirements by the Company as set out in the announcement dated 7 December 2012.



## GLOSSARY

**ASX** means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

**ASIC** means Australian Securities and Investments Commission.

**AWST** means Australian Western Standard Time.

**Board** means the board of Directors of the Company.

**Chair** means the person chairing the Meeting.

**Company** means Pan Asia Corporation Limited ABN 45 098 448 269.

**Constitution** means the constitution of the Company.

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

**Director** means a director of the Company.

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

**Explanatory Memorandum** means the explanatory memorandum accompanying the Notice.

**General Meeting or Meeting** the general meeting of Shareholders convened by this Notice for the purposes of considering the Resolutions.

**Listing Rules** means the Listing Rules of the ASX.

**Notice** means the notice of General Meeting which accompanies this Explanatory Memorandum.

**Option** means an option to acquire a Share.

**Proxy Form** as attached to this Notice.

**Resolution** means a resolution proposed pursuant to the Notice.

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

**Shareholder** a registered holder of a Share.

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

**VWAP** means volume weight average price.

**\$** means Australian dollars.



## SECURITYHOLDER PROXY FORM

I/We being a member(s) of Pan Asia Corporation Limited and entitled to attend and vote hereby appoint:

### STEP 1

#### APPOINT A PROXY

☐

the Chairman  
of the Meeting  
(mark box)

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy

or failing the person/body corporate named, or if no person/body corporate is named, the Chairman of the Meeting, as my/our proxy and to vote for me/us on my/our behalf at the General Meeting of the Company to be held at **10:30am (Perth time) on Thursday, 4 April 2013**, at Subiaco Arts Centre, 180 Hamersley Road, Subiaco, WA 6008 and at any adjournment or postponement of the meeting.

The Chairman of the Meeting intends to vote undirected proxies in favour of all items of business.

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒

### STEP 2

#### VOTING DIRECTIONS

##### Resolution 1

Issue of Shares to Mitchel Jakeman,  
Non- Executive Director

For	Against	Abstain*
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

##### Resolution 2

Ratification of issue of 6,257,143 Shares  
to Sophisticated Investors

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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\* 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.

### STEP 3

#### SIGNATURE OF SECURITYHOLDERS - THIS MUST BE COMPLETED

Securityholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Securityholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Securityholder 3 (Individual)

Director

This form should be signed by the securityholder. If a joint holding, either securityholder may sign. If signed by the securityholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

PZC PRX301



## HOW TO COMPLETE THIS PROXY FORM

### Your Name and Address

This is your name and address as it appears on the company's security register. If this information is incorrect, please make the correction on the form. Securityholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your securities using this form.**

### Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in Step 1. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a securityholder of the company. A proxy may be an individual or a body corporate.

### Votes on Items of Business - Proxy Appointment

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's security registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together.

### Signing Instructions

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either securityholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

### Corporate Representatives

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the company's security registry.

## Lodgement of a Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:30am (Perth time) on Tuesday, 2 April 2013**, being not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy Forms may be lodged using the reply paid envelope or:



**ONLINE**  [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the proxy form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the proxy form).



**by mail:**

Pan Asia Corporation Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



**by fax:**

+61 2 9287 0309



**by hand:**

delivering it to Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138 or Level 12, 680 George Street, Sydney NSW 2000.

**If you would like to attend and vote at the General Meeting, please bring this form with you.  
This will assist in registering your attendance.**