

## NOTICE OF ANNUAL GENERAL MEETING

The 2016 Annual General Meeting of shareholders of **Kaili Resources Limited** ("Company") will be held at the **Offices of Piper Alderman, Level 23, Governor Macquarie Tower, 1 Farrer Place, Sydney on Thursday 8 December 2016 at 10:30 am.**

### FINANCIAL, DIRECTORS' AND AUDITOR'S REPORTS

To receive and consider the Financial Report of the Company, the Directors' Report and the Auditor's Report for the year ended 31 December 2015.

A hard copy of the 2015 Annual Report is mailed to all shareholders. A copy of the 2015 Annual Report may be obtained from the Company's website at [www.kailigroup.com.au](http://www.kailigroup.com.au).

### ORDINARY RESOLUTIONS

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

**1. Election of Mr Yutian Bai as a Director**

"That Mr Yutian Bai being a director of the Company appointed since the last annual general meeting retires according to the Bye-Laws of the Company and who, being eligible, offers himself for election, be elected a director of the Company."

**2. Election of Ms Kaiyuan (Kelly) Yang as a Director**

"That Ms Kaiyuan (Kelly) Yang who retires according to the Bye-Laws of the Company and who, being eligible, offers herself for election, be elected a director of the Company."

### HOW TO VOTE

If you wish to vote on the resolutions contained in this notice, you should either attend the meeting in person, or appoint a proxy or proxies to attend on your behalf. In relation to the appointment of proxies, refer to the notes on proxies on the Proxy Form. A body corporate may appoint a representative to attend in accordance with the Bye-Laws of the Company. An executed notice evidencing the appointment of the person attending is required when registering at the Annual General Meeting.

**To be valid, forms of proxy (enclosed) for use at the meeting must be completed and returned to the Company no later than 10:30 am NSW Standard Time on 6 December 2016.**

### ENTITLEMENT TO VOTE

For the purpose of the meeting, and in accordance with the Bye-Laws of the Company, the shares in the Company will be taken to be held by the persons who are registered holders as at 11:00 pm (NSW Standard Time) on 6 December 2016. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

Dated this 15<sup>th</sup> day of November 2016.

By Order of the Board of Directors of the Company



Long Zhao  
Company Secretary

## **EXPLANATORY STATEMENT**

This Explanatory Statement provides information to shareholders for the Annual General Meeting of shareholders of Kaili Resources Limited to be held on **8 December 2016 at 10:30 am** at the **Offices of Piper Alderman, Level 23, Governor Macquarie Tower, 1 Farrer Place, Sydney** and it should be read in conjunction with the accompanying Notice of Annual General Meeting.

### **Receipt of Financial, Directors' and Auditor's Reports**

The first item of business deals with the Financial Report of the Company, the Directors' Report and the Auditor's Report for the financial year ended 31 December 2015. Shareholders are to consider these reports and seek explanations, if required, from the Directors when the reports are presented to the meeting. No resolution is required on these reports and they are only required to be laid at the meeting in accordance with the Companies Act 1981 of Bermuda.

### **Resolutions 1 and 2 - Election of Directors – Mr Yutian Bai and Ms Kaiyuan (Kelly) Yang**

Mr Yutian Bai is a Non-Executive Director appointed on 9 November 2016. Mr Yutian Bai is a large shareholder and has been a strong supporter since the recapitalisation of the Company in 2014/2015. He holds a Bachelor of Accounting from the University of Geosciences, China and a Master of Management from the Australian National University. He is presently Chairman of Ordos Zhongding Investment Co., Ltd in which he has a majority shareholding. He was previously director then Chairman of Inner Mongolia Zhengyuan Culture Media Co., Ltd.

Ms Kaiyuan (Kelly) Yang is an Executive Director appointed on 21 April 2014. Ms Kelly Yang's responsibilities encompass the oversight of the investment program in the coal and resources industry and assessing new investment opportunities for growth. She is also responsible for investors' relation, especially those from overseas.