

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of Formis Resources Berhad ("Formis" or the "Company") will be held at The Fairway Family Restaurant, 1st Floor, The Royal Selangor Golf Club, Jalan Kelab Golf, Off Jalan Tun Razak, 55000 Kuala Lumpur on Wednesday, 23 January 2013 at 10.30 a.m. or at any adjournment thereof, for the purpose of considering and, if thought fit, passing the following resolutions with or without any modifications as shall be determined upon at such meeting:-

SPECIAL RESOLUTION 1

PROPOSED REDUCTION OF THE ISSUED AND PAID-UP SHARE CAPITAL OF FORMIS VIA THE CANCELLATION OF RM0.50 OF THE PAR VALUE OF EACH EXISTING ORDINARY SHARE OF RM1.00 EACH IN FORMIS ("PROPOSED PAR VALUE REDUCTION")

"THAT subject to the sanction of the High Court of Malaya for the Proposed Par Value Reduction, the passing of Ordinary Resolution, Special Resolution 2 and approvals of all relevant authorities and parties (if required), approval be and is hereby given to the Company and the Board of Directors of the Company ("**Board**") to reduce the Company's issued and paid-up share capital of 185,900,199 ordinary shares of RM1.00 each via cancellation of RM0.50 from the par value of each ordinary share of the Company of RM1.00 each under Section 64(1) of the Companies Act, 1965 with the credit arising from such reduction and cancellation to be utilised towards reducing the accumulated losses of the Company and the balance, if any, to be credited as additional capital reserve of the Company;

AND THAT following the Proposed Par Value Reduction, approval be and is hereby given for the Company to change the par value of each ordinary share of the Company from RM1.00 to RM0.50 and that 185,900,199 ordinary shares be credited as fully paid 185,900,199 ordinary shares of RM0.50 each;

AND FURTHER THAT the Board be and are empowered and authorised to do all such acts, deeds and things, to enter into such transactions and arrangements, to execute, sign and deliver on behalf of the Company all such documents and/or agreements and to take all such steps as they think fit, necessary, expedient and/or appropriate in order to implement, finalise and give full effect to the Proposed Par Value Reduction with full power to make, assent to and/or effect any conditions, modifications, variations and/or amendments (if any) as may be imposed by any relevant authorities and parties or consequent upon the implementation of the said conditions, modifications, variations and/or amendments."

SPECIAL RESOLUTION 2

PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE COMPANY ("PROPOSED AMENDMENTS TO M&A")

"THAT subject to the passing of Special Resolution 1 and Ordinary Resolution and obtaining the sanction of the High Court of Malaya pursuant to Section 64(1) of the Companies Act, 1965 for the purpose of the Proposed Par Value Reduction and obtaining the approvals of all other relevant authorities and parties (if required), the Board be and are hereby authorised to do all such deeds, acts and things and execute, sign and deliver all documents and to take all such steps for and on behalf of the Company as they may think fit, necessary, expedient, appropriate and/or relevant with full powers to assent to any conditions, modifications, variations and/or amendments as may be required by any relevant authorities and parties in respect of the Proposed Amendments to M&A to amend, delete, alter, modify and/or add to Clause V of the Memorandum of Association and Article 4 of the Articles of Association of the Company in the manner as set out below:-"

Existing M&A	Proposed M&A Amendments
<p><u>Existing Clause V</u></p> <p>The share capital of the Company is Ringgit Malaysia Five Hundred Million (RM500,000,000.00) divided into Five Hundred Million (500,000,000) ordinary shares of RM1.00 each. The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividends, capital, voting or otherwise.</p>	<p><u>New Clause V</u></p> <p>The share capital of the Company is Ringgit Malaysia Five Hundred Million (RM500,000,000.00) divided into One Billion (1,000,000,000) ordinary shares of RM0.50 each. The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividends, capital, voting or otherwise.</p>
<p><u>Existing Article 4</u></p> <p>The authorised share capital of the Company is Ringgit Malaysia Five Hundred Million (RM500,000,000.00) divided into Five Hundred Million (500,000,000) ordinary shares of Ringgit Malaysia One (RM1.00) each and 16,811,671 preference shares of RM1.00 each with power for the Company to increase or reduce, sub-divide or consolidate such capital and to issue any part of its capital, original or increased with or without any preference, priority or special privilege or subject to any postponement of rights, or to any conditions or restrictions and so that, unless the conditions of issue shall otherwise expressly declare, every issue of shares whether declared to be preference or otherwise, shall be subject to the power hereinbefore contained.</p>	<p><u>New Article 4</u></p> <p>The authorised share capital of the Company is Ringgit Malaysia Five Hundred Million (RM500,000,000.00) divided into One Billion (1,000,000,000) ordinary shares of RM0.50 each with power for the Company to increase or reduce, sub-divide or consolidate such capital and to issue any part of its capital, original or increased with or without any preference, priority or special privilege or subject to any postponement of rights, or to any conditions or restrictions and so that, unless the conditions of issue shall otherwise expressly declare, every issue of shares whether declared to be preference or otherwise, shall be subject to the power hereinbefore contained.</p>

ORDINARY RESOLUTION

PROPOSED RENOUNCEABLE RIGHTS ISSUE OF UP TO 278,850,298 NEW ORDINARY SHARES OF RM0.50 EACH IN THE COMPANY ("FORMIS SHARES") ("RIGHTS SHARES") TOGETHER WITH UP TO 139,425,149 FREE DETACHABLE WARRANTS ("WARRANTS") AT AN ISSUE PRICE OF RM0.50 PER RIGHTS SHARE ON THE BASIS OF TWO (2) RIGHTS SHARES TOGETHER WITH ONE (1) FREE WARRANT FOR EVERY TWO (2) EXISTING FORMIS SHARES HELD AFTER THE PROPOSED PAR VALUE REDUCTION

"THAT, subject to the passing of Special Resolution 1 and Special Resolution 2, and subject further to the approval of all relevant authorities, including but not limited to the approval-in-principle of Bursa Malaysia Securities Berhad ("**Bursa Securities**") for the listing of and quotation for all the Rights Shares and all the Warrants to be issued here under and all the new Formis Shares to be issued pursuant to the conversion of the Warrants being obtained, approval be and is hereby given to the Board to:-

- issue and allot by way of proposed rights issue of up to 278,850,298 Rights Shares together with up to 139,425,149 free Warrants, to be implemented on a renounceable basis of two (2) Rights Shares together with one (1) free Warrant at an issue price of RM0.50 per Rights Share for every two (2) existing Formis Shares held at an entitlement date to be determined later by the Board ("**Entitlement Date**"), to be offered to the shareholders of the Company whose names appear in the Record of Depositors of the Company as at the close of business on the Entitlement Date;
- constitute the Warrants upon the terms and conditions of a deed poll to be executed by Formis ("**Deed Poll**"), the principal terms of which are set out in Section 3 of the Circular to Shareholders dated 31 December 2012;
- allot and issue such number of additional Warrants ("**Additional Warrants**") pursuant to adjustments under the Deed Poll and to adjust from time to time the exercise price of the Warrants as a consequence of the adjustments under the provisions in the Deed Poll and/or to effect such modifications, variations and/or amendments as may be imposed, required or permitted by Bursa Securities and any other relevant authorities or parties or otherwise; and
- allot and issue such number of new Formis Shares credited as fully paid-up arising from the exercise of the Warrants during the tenure of the Warrants, including such appropriate number of Formis Shares arising from the exercise of the Additional Warrants;

THAT any Rights Shares which are not validly taken up or which are not allotted for any reasons whatsoever shall be made available for excess applications in such manner as the Board shall determine at its absolute discretion;

THAT the Board be and is hereby empowered and authorised to deal with any fractional entitlements of the Rights Shares arising from the Proposed Rights Issue With Warrants in such manner and on such terms and conditions as the Board in its absolute discretion may deem fit or think expedient or in the best interest of the Company (including without limitation to disregard such fractional entitlements);

THAT the proceeds of the Proposed Rights Issue with Warrants be utilised for the purposes as set out in Section 3 of the Circular to Shareholders of the Company dated 31 December 2012, and the Board be authorised with full powers to vary the manner and/or purpose of utilisation of such proceeds in such manner as the Board may deem fit, necessary and/or expedient, subject (where required) to the approval of the relevant authorities;

THAT the Rights Shares shall, upon allotment and issue, rank pari passu in all respects with the then existing ordinary shares of the Company except that they shall not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid to shareholders, the entitlement date of which is prior to the date of allotment of the Rights Shares;

THAT the Rights Shares, Warrants, Additional Warrants and new Formis Shares to be issued pursuant to the exercise of the Warrants and the Additional Warrants shall be listed on Bursa Securities;

THAT the new Formis Shares to be issued pursuant to the exercise of the Warrants shall, upon allotment and issue, rank *pari passu* in all respects with the then existing ordinary shares of the Company except that they shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the allotment date of the new Formis Shares to be issued arising from the exercise of the Warrants;

AND THAT this resolution constitutes a specific approval for the issuance of securities in the Company contemplated herein which is made pursuant to an offer, agreement or option and shall continue in full force and effect until all Rights Shares, Warrants and new Formis Shares to be issued pursuant to or in connection with the Proposed Rights Issue with Warrants as well as pursuant to the exercise of the Additional Warrants have been fully allotted and issued."

By Order of the Board

Lim Shook Nye, (MAICSA 7007640)

Company Secretary

Kuala Lumpur

31 December 2012

Notes:-

- A member of the Company may appoint more than two (2) proxies to attend at the same meeting but only one (1) proxy shall be entitled to vote on a show of hands. Where a member appoints two (2) or more proxies, he shall specify in each Form of Proxy the proportion of his shareholdings to be represented by each proxy.
- Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**Omnibus Account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("**SICDA**") which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if the appointor is a corporation under Seal or the hand of an officer or attorney duly authorised. A proxy may but need not be a member of the Company and need not be a person prescribed by Section 149 (1)(b) of the Companies Act, 1965. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
- The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Registered Office of the Company at 16th Floor, KH Tower, 8 Lorong P. Ramlee, 50250 Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument propose to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for taking of the poll, and in default the instrument of proxy shall not be treated as valid.

CUSTOMER APPROVAL

Please approve with your signature if this design/proof is agreeable and correct.

Customer's Stamp & Signature

Date _____