



D.B.E. GURNEY RESOURCES BERHAD

(Company No: 535763-A)
(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting ("EGM") of D.B.E. Gurney Resources Berhad ("DBE" or "Company") will be held at **Intan 1, The Orient Star Resort Lumut, Lot 203 & 366 Jalan Iskandar Shah, 32200 Lumut, Perak on Friday, 24 July 2015 at 11.00 a.m.**, or any adjournment thereof, for the purpose of considering and if thought fit, passing the resolutions with or without modifications:

SPECIAL RESOLUTION 1

PROPOSED REDUCTION OF THE ISSUED AND PAID-UP SHARE CAPITAL OF DBE PURSUANT TO SECTION 64 OF THE COMPANIES ACT, 1965 ("ACT") INVOLVING THE CANCELLATION OF RM0.09 OF THE PAR VALUE OF EACH EXISTING ORDINARY SHARE OF RM0.10 IN DBE ("PROPOSED PAR VALUE REDUCTION")

"THAT subject to the passing of Special Resolution 2, the sanction of the High Court of Malaya pursuant to Section 64 of the Act and approvals being obtained from the relevant authorities and parties, the par value of every existing ordinary share of RM0.10 each in the issued and paid up share capital of the Company to be reduced to RM0.01 each AND THAT the credit arising from the Proposed Par Value Reduction be utilised to set-off against the accumulated losses of the Company and the remaining balance (if any) will be credited as other reserve of the Company which may be utilised in such manner as the Board of Directors of DBE ("Board") deems fit and to the extent as permitted by relevant and applicable laws.

AND THAT the Board of the Company be and is hereby authorised to take such steps, execute such documents and enter into any arrangement, agreements and/or undertakings with any party or parties as it may deem fit, necessary, expedient and/or appropriate in order to implement, finalise and/or give effects to the Proposed Par Value Reduction with full powers to assent to any terms, conditions, modifications, variations and/or amendments as may be imposed or permitted by the High Court of Malaya and/or as a consequence of any such requirement or as may be deemed fit, necessary, expedient and/or appropriate and in the best interest of the Company."

SPECIAL RESOLUTION 2

PROPOSED AMENDMENT TO THE MEMORANDUM OF ASSOCIATION OF DBE ("MA") TO FACILITATE THE IMPLEMENTATION OF THE PROPOSED PAR VALUE REDUCTION ("PROPOSED MA AMENDMENT")

"THAT subject to the passing of Special Resolution 1, approval be and is hereby given to the Company to alter, modify, vary and delete the Memorandum of Association of the Company in the following manner:

Memorandum of Association

Existing Clause 6 The Capital of the Company is Ringgit Malaysia One Hundred Million (RM100,000,000) divided into **One Billion (1,000,000,000)** ordinary shares of Ringgit Malaysia **Ten Cents (RM0.10)** 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.

Proposed Change Clause 6 The Capital of the Company is Ringgit Malaysia One Hundred Million (RM100,000,000) divided into **Ten Billion (10,000,000,000)** ordinary shares of Ringgit Malaysia **One Cent (RM0.01)** 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.

ORDINARY RESOLUTION 1

PROPOSED ISSUANCE OF REDEEMABLE CONVERTIBLE NOTES WITH AN AGGREGATE PRINCIPAL AMOUNT OF UP TO RM50.0 MILLION CONVERTIBLE INTO A MAXIMUM OF 5,000,000,000 CONVERSION SHARES OF RM0.01 EACH AT THE MINIMUM CONVERSION PRICE OF RM0.01 PER SHARE REPRESENTING APPROXIMATELY 88.13% OF THE ENLARGED ISSUED AND PAID-UP SHARE CAPITAL ("PROPOSED NOTES ISSUE")

"THAT, subject to the approval of all relevant authorities and the passing of Special Resolution 1 and Special Resolution 2, approval be and is hereby given to the Company to:

- (i) issue up to RM50.0 million nominal value of Notes, convertible into new ordinary shares of RM0.01 each in DBE ("DBE Shares") at a conversion price to be determined in accordance with the terms and conditions of the Notes; and
- (ii) allot and issue such number of New DBE Shares pursuant to the conversion of the Notes, from time to time during the tenure of the Notes, credited as fully paid-up, to or to the order of the noteholder of the Notes in accordance with the terms and conditions of the Notes;

THAT such New DBE Shares to be issued arising from the conversion of the Notes, shall, upon allotment and issue, be listed on the Main Market of Bursa Malaysia Securities Berhad and rank *pari passu* in all respects with the existing DBE Shares except that they will not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid prior to the relevant date of allotment of the New DBE Shares;

AND THAT the Board of Directors of the Company ("Board") be and is hereby authorised to take all such steps and to enter into all such other agreements, deeds, arrangements, undertakings, indemnities, transfers, assignments and guarantees with any party or parties and to do all acts and things, as the board of directors may deem fit, necessary, expedient and/or appropriate in order to implement, finalise and give full effect to the Proposed Notes Issue with full powers to sign and execute all documents, make applications to authorities and regulatory bodies for any approvals and consents required and assent to any conditions, modifications, revaluations, variations and/or amendments as may be required by the relevant authorities and to do all such acts and things in any manner as they may deem necessary or expedient and/or appropriate to implement, finalise and give full effect to the Proposed Notes Issue."

By Order of the Board

JESSLYN ONG BEE FANG (MAICSA 7020672)

ERIC TOH CHEE SEONG (MAICSA 7016178)

Company Secretaries

Penang

2 July 2015

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint proxy/proxies who may but need not be a member/members of the Company to attend and vote in his/her stead.
2. Where a member appoints two or more proxies, the appointments shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorized in writing or, if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney duly authorized in writing.
4. Where a member of the Company is an exempt authorized 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 authorized nominee may appoint in respect of each omnibus account it holds. An exempt authorized nominee refers to an authorized nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of subsection 25A(1) of the Central Depositories Act.
5. The instrument appointing a proxy must be deposited at the Registered Office at No.54-4-8, Wisma Sri Mata, Jalan Van Praagh, 11600 Penang not less than 48 hours before the time set for holding the meeting or any adjournment thereof.
6. For the purpose of determining a member who shall be entitled to attend this meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn Bhd to make available to the Company pursuant to Article 60 of the Company's Articles of Association and Paragraph 7.16(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, a Record of Depositors as at 16 July 2015 and only a Depositor whose name appear on such Record of Depositors shall be entitled to attend this meeting.