



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Eleventh Annual General Meeting (AGM) of PA Resources Bhd ("the company") will be held at Kelab Rahman Putra Malaysia, Jalan BRP 2/1, Bukit Rahman Putra, 47000 Sungai Buloh, Selangor Darul Ehsan on 23rd November 2016, at 10.00am for the purpose of transacting the following businesses :-

AGENDA

ORDINARY BUSINESS

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| 1. To receive the statutory financial statements for the financial period ended 30 June 2016 together with the Directors' and Auditors' Reports thereon. | Please refer to Explanatory Notes A Resolution 1 |
| 2. To approve the payment of Directors' fees of RM 127,500 in respect of the financial period ended 30 June 2016. | |
| 3. To re-elect the following Directors, who retire in accordance to Article 128 of the Company's Articles of Association, and being eligible, offer themselves for re-election:- | |
| i) Dato' Lau Kuan Kam; and | Resolution 2 |
| ii) Mr Lee Peng Seng. | Resolution 3 |
| 4. To re-elect Mr. Wong Chee Heng who retires in accordance to Article 133 of the Company's Articles of Association, and being eligible, offer himself for re-election. | Resolution 4 |
| 5. To re-appoint Messrs WHLK as the Company's Auditors for the ensuing year and to authorise the Directors to fix their remuneration. | Resolution 5 |

SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolution:-

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| 6. Proposed continuation in office as Independent Non-Executive Director | Resolution 6 |
| "THAT approval be and is hereby given for Mr Yap Fatt Lam who has served as an Independent Non-Executive Director of the Company for more than nine (9) years, to continue in office as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting." | (Explanatory Notes B) |
| 7. Authority to Allot Shares pursuant to Section 132D of the Companies Act, 1965 ("the Act") | Resolution 7 |
| "THAT pursuant to Section 132D of the Act, and subject to the approval of the relevant authorities, the Directors be and are hereby empowered to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being and that the Directors be and are hereby also empowered to obtain approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued and that such authority shall continue to be in force until the conclusion of the next AGM of the Company." | (Explanatory Notes C) |

ANY OTHER BUSINESS

8. To transact any other business of which due notice shall have been given.

BY ORDER OF THE BOARD

SHAHNIZA ANOM BINTI ELIAS (LS 0006472)
TIA HWEI PING (MAICSA 7057636)

Company Secretaries
Selangor Darul Ehsan
31 October 2016

NOTES :

- A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Act shall not apply to the Company.
- A member may appoint up to two (2) proxies to attend and vote at the same meeting. Where a member appoints two (2) proxies, the proxies shall not be valid unless the member specifies the proportions of his shareholdings to be represented by each proxy.
- The instrument appointing a proxy in the case of an individual shall be signed by the appointor or his attorney and in the case of a corporation, the instrument appointing a proxy or proxies must be under seal or under the hand of an officer or attorney duly authorised.
- The instrument appointing a proxy must be deposited at the Registered Office of the Company situated at Level 8, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan at least forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
- Only a depositor whose name appears on the Record of Depositors as at 17 November 2016 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.

EXPLANATORY NOTES A:

The Audited Financial Statements in Agenda 1 is intended for discussion only as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval of the members and hence is not put for voting.

EXPLANATORY NOTES B:

Ordinary Resolution 6 - Proposed continuation in office as Independent Non-Executive Director

The Board of Directors ("Board") had via the Nominating and Remuneration Committee conducted an annual performance evaluation and assessment of Mr Yap Fatt Lam and recommended him to continue to serve as Independent Non-Executive Director of the Company based on the following justifications:-

- He was appointed on 9 February 2006 as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years. As such he understands the Company's business operations and is able to participate and contribute actively during deliberations and discussions at meetings of the Audit Committee, Nominating Committee and the Board;
- He fulfils the criteria under the definition of independent director as set out in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and therefore, is able to bring independent and objective judgement to the Board;
- He has exercised due care during his tenure as Independent Non-Executive Director of the Company and carried out his duties professionally in the interest of the Company and shareholders; and
- He has contributed sufficient time and efforts and attended all the meetings of the Audit Committee, Nominating Committee and the Board held during the financial period ended 30 June 2016, as and when required,

EXPLANATORY NOTES C:

Ordinary Resolution 7 - Authority to Allot Shares pursuant to Section 132D of the Companies Act, 1965 ("the Act")

The Company is seeking a renewal of mandate to allot and issue shares in the Company up to an amount not exceeding in total 10% of the issued share capital of the Company for such purposes as the Directors consider would be in the best interest of the Company.

The proposed Ordinary Resolution 7, if passed, will provide flexibility to the Company for any possible fund raising activities including but not limited to any placing of shares for purposes of funding future investments, working capital and/or acquisition or such other purposes as the Directors consider would be in the interest of the Company without incurring additional costs by convening an Extraordinary General Meeting.

The general mandate is a renewal of the mandate obtained from the shareholders at the Annual General Meeting of the Company held on 23 September 2015. The Company did not utilise the mandate obtained at the last Annual General Meeting and thus no proceeds were raised from the previous mandate.